



NDLAMBE MUNICIPALITY
DRAFT ANNUAL REPORT 2017/2018
VERSION 1

Ndlambe Municipality
046 604 5500
www.ndlambe.gov.za



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VISION:

NDLAMBE MUNICIPALITY strives to be a premier place to work, play, and stay, on the eastern coast of South Africa. It strives to be the destination of choice for people who love natural and cultural heritage, adventure water sports, and laid-back living for families.

Our promise is to build a state-of-the-art physical infrastructure which will be laid out aesthetically in our beautiful natural environment. Our prosperous community supports a safe and healthy lifestyle which is supported by affordable natural living and a vibrant tourism and agriculturally-based economy!

We promote good governance by providing sustainable, efficient, cost effective, adequate and affordable services to all our citizens.

MISSION:

To achieve our vision by enabling optimal performance within each of the five Key Performance Areas of Local Government within the context of available resources.

VALUES:

- Commitment;
- Transparency;
- Honesty;
- Trustworthiness; and
- Care

CHAPTER ONE

COMPONENT A: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

MAYOR'S FOREWORD



I have great pleasure in introducing the 2017/18 Annual Report of the Ndlambe Municipality which is both a legislative and accountability requirement. In terms of Section 46 of the Local: Municipal Systems Act No. 32 of 2000 and Sections 121 and 127(2) of the Local Government: Municipal Finance Management Act No. 56 of 2003, the Municipality must prepare an Annual Report for each financial year and the Mayor must table it within seven months after the end of each Financial Year. Section 152 of the 1996 Constitution of the Republic of South Africa clearly set out the objectives of local government.

This Annual Report highlights the achievements and challenges experienced by the municipality for the year under review. The municipality takes pride in serving the community as an extension of good governance and those decisions taken in the best interests of the people of Ndlambe. The report is brutally honest about our challenges and achievements. The challenges are not unique to Ndlambe Municipality – and I am confident that with the existing leadership and collective wisdom of other political parties in Council, and the Administration- these challenges are not insurmountable.

The achievement of service delivery targets and deliverables is obviously also required to be viewed together with the municipality's financial performance and our ability to comply with a whole suite of municipal legislation. This report is therefore intended to attest to the collective efforts of the municipal administration and Council to progressively address the expectations of our people. As a local government we will always be evaluated by our ability to meet the growing needs of our residents through rendering quality services, promoting economic development, fiscal discipline, ensuring that we govern effectively and facilitating the growth of our municipality.

The Municipality is aware that basic services cannot be rendered in a sustainable manner nor can infrastructure such as roads and electricity, water and sewerage networks be maintained unless rates and taxes are paid consistently. The Municipality therefore acknowledges that its successes and achievements are not only a testimony of our efforts but also the selfless contributions made by all our stakeholders through funding support, local businesses and the residents through participation in municipal processes and in being loyal in meeting their municipal obligations despite the difficult economic climate.

This Annual Report is a culmination of the implementation of the Council's adopted Integrated Development Plan (IDP), Budget and Performance Management System, together with the Annual Financial Statements and Auditor General's Report. It attests to the collective efforts of the political and administrative arms of the

municipality to progressively address the ever increasing expectations of our people, and also reflects the political stability and decisive leadership within the organisation.

We will have to ensure that more effort is made to administratively balance performance reporting requirements to what is actually happening on the ground. Institutional stability is therefore paramount. We also acknowledge that fiscal and institutional development and transformation is not an event, but a process. Poverty and unemployment too, will remain with us for many years to come. Yet, we are up for the challenge and will continue to tackle this mammoth task head on as we are obligated to make a difference in the lives of the People that We serve.

It is in this spirit of cooperative governance, that we will continue to build sound relationships with both National and Provincial departments to ensure that there is synergy and cohesion in service delivery in line with the Country's National Development Plan. We must partner with the Private Sector and other sister municipalities across the country and abroad in order to share best practice and expertise so that the mandate to create a better life is indeed accelerated.

I want to thank our political leadership and staff led by the Municipal Manager, Advocate Rolly Dumezweni for ensuring political and administrative stability in our municipality. I thank them for everything they do to make our municipality work each and every day and that includes many of the achievements I spoke about.

COUNCILLOR PP FAXI

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MAYOR

COMPONENT B: EXECUTIVE SUMMARY

MUNICIPAL MANAGER'S OVERVIEW



The importance and relevance of an annual report in an accountable, participatory and developmental orientated local government as a valuable assessment tool cannot be over-emphasised. The 2017/2018 financial year has come to an end and, as required by section 127 of the Municipal Finance Management Act, 2003 (Act 56 of 2003), we must table and adopt an annual report for the 2017/2018 financial year within the prescribed time frames. The report is not only a compliance matter but provides a fair presentation of the performance of the municipality for the year under review. Our attitude to the annual report is that all our key stakeholders and partners i.e. Council, administration, ratepayers, communities and business must take a keen interest in tracking and reviewing municipal performance. Thus the annual report provides one such an opportunity.

In assessing our level and standard of performance as a municipality against our entrusted mandate we should do so in full cognisance of our unique context, prevalent environment and conditions, limited resources, global economic factors impacting at the levels of Council and residents as well as increases in service input costs versus a decreasing revenue basket. We remain heavily dependent on grant funding and this has an impact on service delivery as these grants continue to shrink.

We have seen an increase in indigents and this can be attributed to the general decline in affordability levels, unemployment, the poverty & social grant dependency rate and the low revenue base. The low revenue collection rate compromise funding for planned projects and service delivery. The low revenue base and the contrasting general price increases have had a knock-on effect on planned performance. These factors have adversely impacted on the ability to implement fully our committed plans and projects. Of great significance to note are opportunities created by our supply chain management processes which contributed to the development of the local economy through the development of SMME's, thereby addressing a whole range of socio-economic challenges including unemployment.

Notwithstanding the above specified factors and many socio-economic setbacks, the municipality has recorded major progress in delivering the objectives of the IDP. This will be explicitly substantiated in detail in subsequent sections of this report. The capacity and support received through intergovernmental cooperation also enabled us to discharge our constitutional responsibilities with reasonable efficiency.

Ndlambe municipal communities are no longer suffering inadequacy of water especially during festive season in particular in Port Alfred, Bushmansrivermouth and Kenton-on-Sea which areas are visited the most by tourists during this period. Alexandria water supply remains a challenge and the municipality aim to increase water capacity to the area hence the Alexandria water reticulation project planned for 2018/2019.

Roads are continuously maintained however it is very difficult to keep pace with the rate in which they are aging given our financial state of affairs. Council has taken a stance to pave roads and this is ongoing and is visible in Ndlambe.

Application for low cost houses for Port Alfred (Thornhill), Marselle and Alexandria have been submitted to the Department of Human Settlement however water is a stumbling block to the commencement of building.

The municipality has outsourced the maintenance of electricity and the service provider is doing well. Indigent households are provided with free electricity which is 50KW per month and 6 kilo litres of water each month. Houses in particular squatter have been provided by gel stoves in the meantime as means of alternative energy.

Building Control remains a serious challenge in the area especially in the townships where people are building without following the building regulations and as a result of this there is a potential that the municipality may be losing a lot of revenue and the households who are contravening the building regulations are exposed to danger because they are living in houses that have not been approved by the relevant authorities. The municipality is doing by all means to overcome this challenge as it is one of the highest risk.

The municipality is also facing a challenge of cemeteries which are becoming full at a very fast rate due to the HIV/AIDS pandemic which is rife in the townships and the quick urbanisation however the relevant department is busy with the necessary process to acquire land for graveyards. Other methods of burying the dead especially in the township where these are foreign e.g burying two people over each other in one grave, cremation etc. to prolong the lifespan of these graveyards are introduced and encouraged.

Waste management remains huge challenge for the municipality. The costs associated with managing the sites are quite huge. We are hoping that our partnership with the Federation of Canadian Municipalities will bring about some form of assistance when it comes to waste management.

Lastly, we strive for clean administration which ultimately results in clean audit. So far we have been receiving qualified audit reports for the past five financial years. We have identified supply chain management as an area that requires our urgent attention. In this regard, we are in the process of centralising the unit and we believe that reduce matters raised by the Auditor General.

We are, as part of the overall government and development machinery, not immune to the challenges of unemployment, poverty, inequality, service backlogs, land shortage and other developmental opportunities at an individual and organisational level. It is therefore imperative that we improve our institutional mechanisms to promote social cohesion and sustainable development for us to be able to discharge our mandate and derive direct monetary benefits. Going forward , to improve our financial performance we will gain immensely from ratepayers' commitment i.e. business, government and residents' commitment to payment of municipal service accounts, concerted efforts to enforce debt recovery mechanisms and controls that are considerate of our interests and the unique profile of our debtors.

There is a solid base to propel excellence even further. We are counting on Council to create an environment conducive enough for all parties to efficiently play a meaningful role and we depend on our community to provide the much needed support.

I therefore affirm or assert that the annual report is to my best knowledge the true reflection of what the municipality has managed to do in the 2017/2018 financial year.

ADVOCATE R DUMEZWENI

MUNICIPAL MANAGER

1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

The Ndlambe municipality, as a Category B municipality performs such municipal functions as enshrined in the Constitution of the Republic of South Africa, 1996. In particular these are listed in Schedule 4 part B & Schedule 5 part B. These include:

Air pollution	Water & sanitation services limited to potable water supply systems and domestic waste-water and sewerage disposal systems
Building regulations	Beaches and amusement facilities
Electricity	Billboards and display of advertisements in public places
Fighting services	Cemeteries and funeral parlours
Local tourism	Cleansing
Municipal Planning	Control of public nuisances
Municipal Health Services	Control of undertaking that sell liquor to the public
Jetties & Piers	Facilities for accommodation, care and burial of animals
Stormwater management system	Fencing and fences
Trading regulations	Traffic and parking
Licensing and control of undertaking that sell food to the public	Municipal roads
Local amenities	Noise pollution
Local sport facilities	Pounds
Municipal parks and recreation	Public places
Refuse removal, refuse dumps and solid waste disposal	Street trading
Street lighting	

The Ndlambe municipality also performs other functions that may be delegated to it by another sphere of government.

The Ndlambe municipal area falls within the Eastern Coastal Zone (one of the areas within the Cacadu District Municipality that has similar geographical characteristics and requires similar geographical guidance). This area can be described as an area with:

- A pristine coastal area;
- Well preserved river mouths and inter-tidal areas;
- Diverse vegetation;
- A relatively low density development along the coast; and

- Major tourism potential

The following is the presentation and analysis of key Ndlambe municipal population and household statistics as provided in the Census, 2011.

Population

Population by age group and gender

Age	Male	Female	Total	%Male	%Female
0 - 4	3006	2796	5802	4.9	4.6
5 - 9	2593	2538	5131	4.2	4.1
10 - 14	2261	2243	4504	3.7	3.7
15 - 19	2469	2464	4933	4	4
20 - 24	2549	2408	4957	4.2	3.9
25 - 29	2509	2571	5080	4.1	4.2
30 - 34	2032	2266	4298	3.3	3.7
35 - 39	2014	2218	4232	3.3	3.6
40 - 44	1767	2269	4036	2.9	3.7
45 - 49	1571	1998	3569	2.6	3.3
50 - 54	1477	1906	3383	2.4	3.1
55 - 59	1223	1526	2749	2	2.5
60 - 64	1052	1362	2414	1.7	2.2
65 - 69	814	1039	1853	1.3	1.7
70 - 74	734	1003	1737	1.2	1.6
75 - 79	424	588	1012	0.7	1
80 - 84	282	453	735	0.5	0.7
85 +	258	492	750	0.4	0.8
Total	29035	32140	61176	47.5	52.5

Source: Census, 2011

The Census 2011 data suggests a total population of 61 176 compared to the Census 2001 data which suggested a total population of 57 241, as compared to the 2005 backlog study figures of 58 927 and a total number of households of 18 913. The Socio Economic Profile of Cacadu estimates the population of Ndlambe Municipality at 63 000. The community survey (STATS SA – 2007) concurred with this population figure. When one compares Census 2011 population data with Census 2001, the population of Ndlambe has increased by a margin of 3935 persons and this represents a percentage increase of 1,2 per cent. This could be attributed to an influx of people from the surrounding areas to look for job opportunities in the new industries that have emerged in the municipal area. Also, the Thornhill housing development has attracted some individuals who were living outside Ndlambe to come back and settle in their newly built RDP homes. Another contributor to this population growth is the migration of people from inland towns and cities to the coast. This influx also impacts negatively on the unemployment rate which currently stands at 30.3 per cent with youth unemployment rate standing at 39 per cent.

The bulk of the migration patterns being experienced within the Municipality are due to holiday makers (approximately 33 000) in the peak season. The influx of seasonal holiday makers equates to approximately 56% of the permanent resident population and places tremendous pressure on the available infrastructure of the area. There is a small migration impact on the agricultural sector related to the harvesting of chicory and pineapples, which has no effect on the immediate service delivery as these activities take place on private land. It does,

however, impact on the Municipality in the longer term as some migrant labour decides to remain once the seasonal work is completed.

Although undocumented, the Municipality is also dealing with an influx of farm workers to urban centres as well as people from neighbouring municipalities seeking new economic opportunities. This is placing increasing pressure on the housing delivery program and efforts to eradicate informal settlements.

Number of households

Household size by population group of head of the household

	Black African	Coloured	Indian or Asian	White	Other	Total
1	3837	174	14	987	39	5051
2	2779	212	22	1714	54	4781
3	2491	226	12	443	24	3196
4	2138	232	1	349	6	2726
5	1290	155	4	97	3	1549
6	745	93	1	38	1	878
7	485	56	1	11	1	554
8	244	15	1	2	0	262
9	140	10	0	3	0	153
10+	167	14	0	0	0	181
Total	14316	1187	56	3644	128	19331

Source: Census, 2011

Based on the above data, the average household size is 3.2 persons per household. Of the total number households, 42.6 per cent are female headed. Given the high percentage of female headed households the municipality's planning and projects should be targeted at reaching out to these households. Furthermore, there is a need for the municipality to engage relevant sector departments, such as Social Development and Women, Children and People with Disability, in this regard.

1.3 SERVICE DELIVERY OVERVIEW

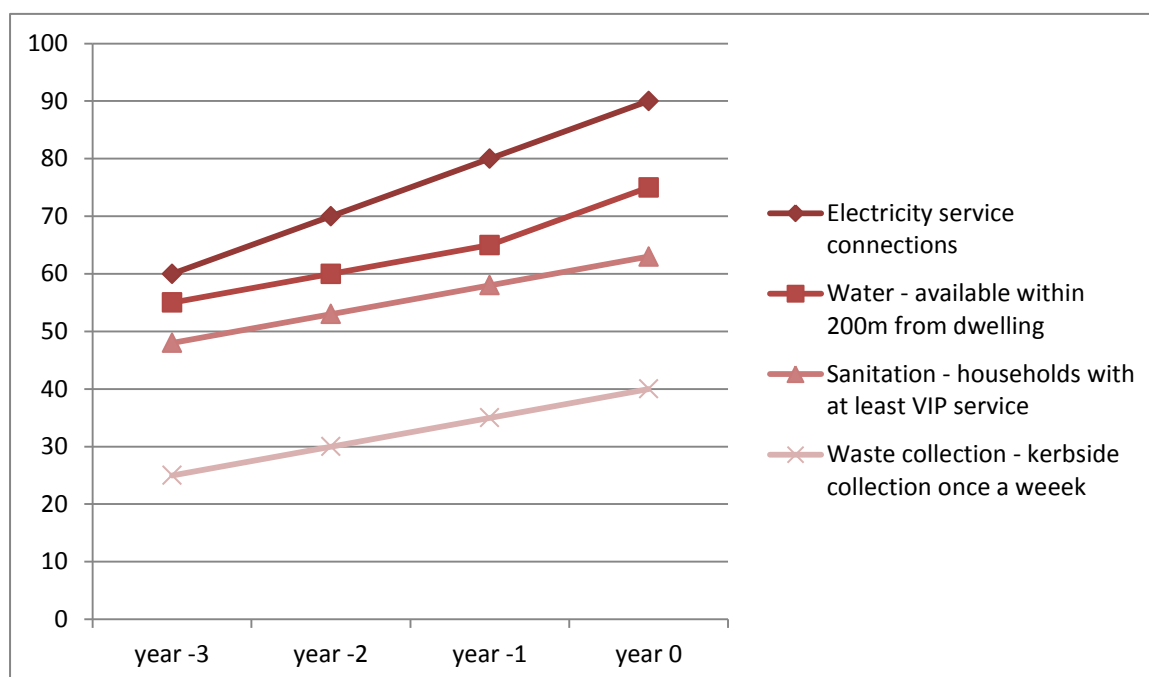
SERVICE DELIVERY INTRODUCTION

Basic service delivery achievements have been noteworthy and are continuing. Council has acknowledged that the biggest stumbling block to transformation and development within the municipal area has been suitable access to sufficient water. Council then embarked on a multi-year strategy to improve the water supply to the consumer base of Ndlambe Municipality. Implementation of these projects is underway. Other recent service delivery achievements include the various improvements and upgrades to various Waste Water Treatment Works, Technical upgrades to sewerage systems maintenance competency within staff.

Challenges include the following:

- Increasing unemployment levels within the consumer base.
- Increasing migration from rural agricultural sector to urban nodes
- Cost of service delivery when revenue base is considered.
- Ageing infrastructure operating in physically aggressive environment

Proportion of households with access to basic services



COMMENT ON ACCESS TO BASIC SERVICES:

It is a well-known fact that the reliability of the yields and the quality of the water from the respective water sources is in general inadequate. Furthermore the capacity of the bulk infrastructure is also inadequate especially during peak holiday seasons when holiday makers flock to the coastal resort town and the demand for municipal water supply cannot be met. This challenge is being addressed through grant funded projects. The present status quo results in many of the households in the area augmenting the Municipal supplies by establishing private rainwater harvesting facilities, which Council encourages and enforces within the building plan application process. All formal erven have access to basic services, which includes, water, sanitation, electricity refuse removal and road access. There are various levels of service but in all cases the minimum levels of service are exceeded.

1.4 FINANCIAL HEALTH OVERVIEW (2017/2018)

Section 216 of the Constitution of the Republic of South Africa, 1996, provides that national legislation must prescribe measures to ensure transparency and expenditure control in each sphere of government by introducing generally recognised accounting practice, uniform expenditure classifications and uniform treasury norms and standards. The Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), determines those measures for the local sphere of government and enables the Minister of Finance to further prescribe, by regulation such measures in terms of section 168 thereof.

The application of sound financial management principles is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The key objective of the Municipal Finance Management Act (2003) is to modernise municipal financial management in South Africa so as to lay a sound financial base for the sustainable delivery of services. Municipal financial management involves managing a range of interrelated components: planning and budgeting, revenue, cash and expenditure management, procurement, asset management, reporting and oversight. Each component contributes to ensuring that expenditure is developmental, effective and efficient and that municipalities can be held accountable.

The Municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government. Encouragement of structured community participation in the matters of the municipality is an important focus area.

Section 216 of the Constitution of the Republic of South Africa, 1996, provides that national legislation must prescribe measures to ensure transparency and expenditure control in each sphere of government by introducing generally recognised accounting practice, uniform expenditure classifications and uniform treasury norms and standards. The Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), determines those measures for the local sphere of government and enables the Minister of Finance to further prescribe, by regulation such measures in terms of section 168 thereof.

Every effort is being made to address the issues raised by the Auditor-General in both the audit report and the audit management letter for the audit of the financial year ending 30 June 2017. An audit check list was developed and is been monitored by the internal auditor to ensure that we improve in the areas identified. Further controls and action plans have been implemented by the finance directorate to ensure that the financial statements are prepared timeously and that we work towards an improved audit outcome by the financial year ending 2018. To achieve a clean audit is going to be a challenge and all offices and directorates are going to have to pull together as a team to achieve the objective. The compilation of the financial statements and the audit undertaken by the auditor-general's office is no longer just a finance issue.

The demands on the finances of the Ndlambe Municipality continue to be significant as backlogs in services, aging infrastructure, and maintenance remain a serious challenge. Emphasis has to be put on enhancing our revenue streams and collecting debt due to the Ndlambe Municipality by consumer and ratepayers that have the ability to pay. Households that receive indigent grants that are in fact not indigent also need to be addressed.

The internally funded capital budget, the reduction in the maintenance budget and reducing budgets for depreciation/bad debts provision/income foregone as a means to balance the budget and the increase to our customer's needs to be seriously addressed in future financial years as the aging infrastructure needs to be replaced and maintained.

A major challenge that continues to face the administration of the Ndlambe Municipality and highlighted in the Auditor-Generals management letter, is the implementation and compliance to regulations emanating from the Municipal Finance Management Act including but not limited to supply chain management issues, asset management and budget control.

MUNICIPAL FINANCIAL VIABILITY

FINANCE DIRECTORATE

The finance directorate is a support directorate to other directorates and customers of the Ndlambe Municipality. The finance directorate consists of four sections namely the Budget and Treasury Office, Supply Chain Unit, Revenue and Expenditure. The main office of finance is situated in Port Alfred with three satellite offices in Alexandria, Kenton-on-Sea and Bathurst.

The objectives of the finance directorate for the 2017/2018 financial year were as follows;

- To revise and complete the entire Municipality's asset register to be GRAP Compliant (Generally Recognised Accounting Practice)
- Ndlambe is able to raise sufficient revenue (internal and external sources) and manage the assets to meet their responsibilities in terms of service delivery incorporating both capital and operational costs
- An updated (contemporary) financial system of Ndlambe is optimally used by competent staff
- To maintain Finance assets
- To improve communication of the budget process
- To implement mSCOA according to National Treasury Circulars and guidelines.
- Households living below the poverty line, as well as vulnerable groups, have improved access to all required basic services, health facilities and social/ work creating programs
- Develop the Supply Chain Management Unit to be in line with the SCM policy and meet the requirements of good practice and address all issues raised in the report of the Auditor-General
- To ensure financial resources are utilised in an economical, efficient and effective manner

- Develop the capacity of the Budget and Treasury Office (BTO) to meet the requirements of credible financial management.
- To ensure that all revenue is collected on a monthly basis to cover the operating expenditure of the municipality on a daily basis
- To ensure all indigents have access to free basic services.
- To ensure an effective customer care service to all residents.

To meet the above objectives the following indicators were set that we needed to achieve;

- Percentage of progress made towards maintenance and rehabilitation of Asset register including all Finance Leases, Operating Leases, Infrastructure Assets and municipal and Investment properties
- New asset acquisitions are recorded/captured on a monthly basis.
- The existence of all assets is verified half yearly.
- All assets acquired are bar coded and insured on a monthly basis.
- Percentage increase in the possible local revenue base
- 100% spending of FMG and MSIG funds
- Increase in % of equitable share based on more accurate statistics in terms of the DORA
- Percentage decrease in non payment
- Percentage of elements of financial system utilized
- Increased in number of staff trained to effectively use the financial system
- Increase in number of useful reports generated for planning and monitoring purposes
- Increase in the investments of maintenance / upgrade of financial system
- Number of reports that meet the legal requirements at the right time
- Percentage of improved cash flow by reducing expenditure to match actual cash on hand.
- Number of Finance assets assessed and ensuring that they are utilized economically.
- Relevant advertisements and loud hailing are done within the legislated time frames
- Increase in number of households benefiting from poverty alleviation programs
- Fully operational SCM unit in line with SCM Policy and MFMA implemented
- Income and expenditure reports are provided on a monthly basis to offices and directorates for them to do budget control.
- Infrastructure investment plan is developed for development priorities in the IDP
- Relevant officials are trained to ensure that they are able to contribute to the financial management system (treasury departments and departmental managers)
- A process plan in place to ensure all new buildings, additions to buildings, re-zoning of properties, subdivisions and consolidations are forwarded to the finance directorate on a monthly basis for billing and valuation purposes.
- All residents who do not have the financial means to pay for basic services in terms of the indigent policy are registered.
- A complaint register to reduce number of complaints from residents resulting from system errors is developed
- Increase in response time and resolution of complaints to be within 7 days of receipt

Finance Directorate Challenges

The following general challenges were experienced by the finance directorate for the year ending 30 June 2018;

- Implementation of mSCOA
- Financial viability to ensure sustainability
- Turnaround time of customer queries and complaints
- Asset maintenance and asset control to ensure sustainability
- Revenue enhancement
- Lack of office space
- Staff establishment
- Reduction of bad debt, depreciation and income foregone budget to reduce the tariff percentage increase to ratepayers and consumers
- Water losses where Amatola Water to be paid for water lost

- Decentralisation of the supply chain unit.

Finance Directorate Composition

Creditors

Payroll:

Senior Accountant: Ms A. Barkhuizen

Administer payment of salaries and allowances. Monthly reconciliation of salaries. Payroll runs on the Friday closest to the 25th of each month where salaries are transferred electronically to staff members bank accounts .Payments made to the Pension Funds, SDL, PAYE and UIF as well as other salary deductions due, are done before the 7th of the following month.

Creditors Payments.

Creditors Clerk: M Tshiwula

Creditor's Clerk: Ms. N Mama

Administer payment of creditors. Creditors to be paid within 30 days of invoice received date on a monthly basis, statements of creditors reconciled with the orders/requisitions issued- This has been a challenge seeing that not all documentation relating to these payments have been received in time as well as the ongoing cash flow problem within the Municipality- resulting that creditors not being paid within 30 days. Direct payments are done on a day to day basis for emergencies ,accommodation ,travelling and temporary wages

Stores:

Storekeeper: Ms Xoliswa Mjuza

Ass. Store Keeper: Ms Bulelwa Hoyi

Execute control over stock/stores -Buying and controlling of stock which includes stationery, petrol and diesel, water meters etc. Stocking taking at year end will no longer involve the participation of the storekeeper and Ass. Store Keeper, but will be done by the internal auditor and delegated staff members. Slow moving stock, adjustment and obsolete stock items were taken to council to be written off as these were no longer in use by the Municipality. A mini stock take was then done at the end of March to determine if there were any more variances on the stores module vs stock on hand as well as to confirm that the quantities and values were correct.

The strategic objectives of the Creditors Section are to:

Creditors:

To utilise all the functions available on the creditors-abakus system in order to be more effective on directs/creditors payments

The key issues for 2017/2018 were:

- To get all expenditure processes computerized
- Balance all stock items and bin cards to the stores sub-ledger
- Balance and reconcile creditors statements

Revenue

Overview:

The revenue section within Ndlambe Municipality covers a wide range of functions which are of an administrative nature.

It plays a pivotal role in revenue generation and collection activities through;

- Formulation, implementation and reviewal of relevant revenue policies
- Ensuring compliance to national, provincial and local government legislation.
- Active participation in various government structures to promote intergovernmental.
- Engaging in revenue enhancement activities by billing for services consumed, provide key statistical data for setting annual tariffs, undertaking banking services, meter readings for billing purposes.
- Facilitation of property general and supplementary valuations and finally rating of properties.

One of the critical functions of the department is to continuously, monitor expenditure and give advice to other directorates to ensure that expenditure is within approved budget. Financial management is not only inward focused, it provides a wide range of services to local communities. It serves as a delivery mechanism for free basic services.

Free Basic Services

Financial function is responsible for facilitating an enabling environment for the implementation of free basic services by developing policies to be approved by council. It is through these policies that local communities can access these services. Communities are assisted by the Finance department to apply for these services and thereafter facilitate payment for such services. Different mechanisms are considered to extend the provision of certain free basic services to informal settlement and rural areas. Such services are provided through an alternative sources of energy namely gel.

Service Delivery

The Finance department is one of the key role players in service delivery. Finances' role is to provide support to the departments that are directly involved in service delivery. Such support is ensuring of cash resources, these resources are generated through various billing activities, collections of payments due are done by the finance department. One of the greatest challenges that Ndlambe is faced with is electricity distribution in townships which fall under ESKOM's electricity distribution licences. The challenge is in the distribution network that is currently in place. It must be noted that this problem is not only in Ndlambe.

There are number of problems to mention a few, insufficient credits levels maintained by the vendors resulting unavailability of electricity to consumers. The matter has been addressed with ESKOM, but no solution has been provided to us.

Property Valuations

A supplementary valuation was carried out during the 2017/2018 financial year to rate new properties and properties that have had improvements done. The supplementary valuation roll was completed and implemented.

Strategic Objectives

The following are finance key strategic objectives which will contribute towards achievement of the municipality's strategic objectives;

- Creation and maintenance of a credible valuation roll
- Building and maintenance of a good customer relationship
- Creation and maintenance an internal customer approach when serving other internal departments.
- Reduction of errors in billing
- Ensuring maximum collection of municipal revenue through billing and revenue collection.
- Capacitating of departmental staff
- Use of various tools, equipment, to enhance revenue collection
- Identification of unbilled and unmetered consumption to enhance our revenue base.

Key issues for 2017/2018 financial year are;

The focus will be on the following issues, which are critical for service delivery and financial viability of Ndlambe Municipality, these will include but not limited to the list below;

- Resourcing the department
- Capacitating staff
- Improving billing and credit control information system/reports
- Increasing the number of registered indigents
- Reduce account queries
- Shorten account query response time
- Increasing debt collection efforts
- Improving customer relations
- Exploring other debt collection mechanisms

- Ensuring continuous supply of electricity to consumers in Ndlambe townships.
- Increased accessibility of Free basic Electricity to indigent people through ;
 - Indigent registration and
 - Issuing of free tokens without purchasing coupons.
 - Provision of alternative energy sources to rural and informal settlement communities.

It must be noted that due to processes to be followed some of the issues may be both short and long term issues

Budget And Treasury Office

Budget and Treasury Office was established in terms of section 80 of the MFMA. It consists of BTO managers reporting directly to the CFO:

- Senior Accountant (2),
- Asset Clerk,
- Three Interns
- Mentor reporting to the BTO Manager.

The functions of the BTO are as follows:

- Budgeting,
- Financial Statements & Reporting,
- Asset Management,
- Cash Management,
- Investments
- Insurance.

The function of the budget and treasury office within the municipality is administered as follows and includes:

Budgeting

The Municipality's annual budget comprises of an operating budget and a capital budget. The operating budget funds employee salaries, operating costs, purchases and assistance for the poor, such as free basic water and sanitation. The Municipality's business and service delivery priorities were reviewed and where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. The focus is to critically review expenditure on non-core items.

The capital budget is set aside for spending on infrastructure and services, such as roads, water and sanitation as well as the many other utilities and services that Ndlambe Municipality needs in order to function, grow and offer opportunities to its residents.

The entire budget amount per annum is based on the income that the Municipality accrues on rates, service charges, and grants and subsidies. Budgeting on the accrual basis enforces strict cash control measures as before expenditure can be incurred the income must be in the bank. The municipality has to move to a cash budget so that expenditure can be more certain.

BTO's involvement in budgeting starts from the planning, strategizing, preparing, and tabling, approving, finalizing and implementation stage. The planning and strategizing stages are done through the political guidance by the Mayor. i.e. review of time table schedule and the previous year's budget process to determine what went wrong, what should be corrected and the way forward. This can be done through internal and external participation. The preparation to the finalizing stage of the budget is done by the BTO with the assistance of the Accounting Officer and the co-operation of the other directorates. After the implementation the BTO conducts the in-year monitoring of the budget. The major difficulties we encountered in the budget preparation are the directorates are not adhering to the time table schedule approved by the council. The directorates are not procuring according to their budget. IDP is not aligning to the budget. The directorate does not prepare their departmental SDBIP.

The strategic objectives of this function are to:

- Compile well balanced, representative and affordable budget informed by the IDP and available resources.

The key issues for the financial year are:

- The in-year monitoring to control the budget.
- Engaging of the Mayor and the Accounting officer involvement in the budget in order to achieve a smooth budget process.
- To include the SDBIP in the Budget process

Financial Statements And Reporting

The BTO coordinates the process of preparing the financial statements with the finance management team. The finance management team is required to prepare statements that are in accordance with generally recognized accounting practice (GRAP). The financial Statement are handed over to Auditor General at the 31 August for auditing purposes as required by the S126 (1) b of the MFMA. The BTO prepares the monthly, quarterly, half yearly and yearly reports to Council, National and Provincial Treasury based on the requirements required by the MFMA.

The strategic objectives of this function are to:

- Compile accurate and reliable financial statements and reporting which reflect the true financial position of Council.
- An updated (contemporary) financial system of Ndlambe is optimally used by competent staff to achieve an unqualified audit report.

The key issues for the financial year are:

- Striving to produce financial statements that are fully complying with GRAP.
- To develop a monthly checklist to correct errors on matters affecting the financial statements before the reporting date.

Asset Management

BTO coordinates the verification of assets towards the year end. Control the movement, transfers, acquisitions and disposals of Council assets on a daily basis. Report to Council a list of assets to be disposed for approval.

The strategic objectives of this function are to:

- Keep record and the movement of Council assets.
- An updated (contemporary) financial system of Ndlambe is optimally used by competent staff to locate, identify and revalue all Municipal Assets.
- Ndlambe Municipality is able to raise sufficient revenue (internal and external sources) and manage their assets to meet their responsibilities in terms of service delivery incorporating both capital and operational costs.

The key issues for the financial year are:

- To maintain the asset register on a monthly basis.
- Ensuring that the Council asset register complies with GRAP.
- Conducting a monthly checklist ensuring the asset register balances with the ledger.

Cash Management

Prepares a daily cash flow to determine whether the council is in the status to spend from the budget. Informs the directorates if there are any cash flow problems.

The strategic objectives of this function are to:

- To secure sound and sustainable cash flow management of the Council.

The key issues for the financial year are:

- To review the cash management and investment policy in accordance with any framework that may be prescribed in terms of s13 (1) of the MFMA.

Investments

The BTO maintains the quotation register. Identify monies that are transferred to the Council current account and invest monies not immediately required. Prepares the monthly reconciliation, realises and re-invest investments on the due date. Make withdrawals on the investments to the revolving fund, debit the current account with the original money invested and credit the vote provided by a specific director.

The strategic objectives of this function are to:

- To secure sound and sustainable investment procedures of the Council.

The key issues for the financial year are:

- Implement authorization and review the investment decision made of the employee making the investment

Insurance

The BTO register all the new assets to the insurance company take out the disposed assets from the insurance list. Make insurance claims for the damage or stolen assets. Allocate payments received from the insurance company to the relevant vote. Update insurance claim register. The problems encountered when implementing the insurance activity are directorates are not informing the BTO of the new acquisitions and stolen assets for insurance additions. Directorates are submitting insufficient information for insurance claims and are not adhering to the terms of the insurance contract. i.e. late submissions

The strategic objectives of this function are to:

- To ensure all the Council assets as per asset register are insured.

The key issues for the financial year are:

- To review the fixed asset register to comply with GRAP and ensuring that the fixed assets are at the market value for the insurance purposes.

SUPPLY CHAIN MANAGEMENT

Report for the period 1 July 2017 to 30 June 2018

SUPPLY CHAIN MANAGEMENT POLICY – Paragraph 6(3)(a) and 6(4) REPORT

Extracted from the SCM Policy as approved by Council:

“6. Oversight role of the council

(3) For the purposes of such oversight, the accounting officer must –

*(a) within 30 days of the end of each **financial year**, submit a report on the implementation of this policy to the council through its mayor;*

(b) whenever there are serious and material problems in the implementation of this policy, immediately submit a report thereon to the council through its mayor.

*(4) The accounting officer must, within 10 days of the end of **each quarter**, submit a report on the implementation of this policy to the mayor.*

(5) The aforesaid reports must be made public in accordance with section 21A of the Municipal Systems Act.”

1. Staffing Matters

During the 2018 Financial Year, the three permanent staff members of the Unit continued to face many challenges, due mainly to an insufficient number of staff members in the Unit to carry out the full range of duties as set out in the Municipality's Supply Chain Management Policy. The municipality contracted one person to beef up the SCM Unit. The municipality is currently has filled the position of a Senior Buyer and in the process of filling Contracts Manager vacancy to strengthen capacity in the SCM unit.

To ensure sustained compliance with Best Practice processes, and to address to issues raised previously by the Auditor-General, the Logistics Clerk post was filled on a permanent basis. However, the Task Grading in respect of this new post has still not yet been completed. The post of Logistics Clerk remains the only currently occupied post which has yet to be task graded. No firm indication has been provided by the Human Resources Section as to when this evaluation will be completed but it has been intimated by the HR Section of Ndlambe Municipality that the conclusion of the process is imminent.

2. Office Infrastructure

Training on the finer points of utilisation of the new VoIP telephone switchboard system has not yet been provided, and, as use is currently being made of low volume stand-alone units, it is also felt that, due to the requirements of the new Munsoft system, the SCMU is in need of a high volume scanner/printer

3. Decentralised Supply Chain Processes

It remains a challenge to fully and comprehensively comply with the administrative and reporting requirements of legislation due to the currently dispersed nature of responsibility for the various Supply Chain Management functions.

The lack of central co-ordination regarding Supply Chain matters such as bid notice preparation, bid committee minutes and agendas, notice placement and other related issues remain an obstacle in complying with the required processes contained within the Supply Chain Management Policy.

Although the ideal situation would be to establish a fully-fledged centralised Procurement Section at Ndlambe Municipality, the problem remains that it would be an extremely costly exercise, and would place enormous strain on the overall constraints of restricting increases in budget expenditure. However, until such time that this situation is comprehensively addressed, the Municipality will run the risk of not fully complying with legislated requirements.

It has recently become apparent that progress may shortly be made in this regard with a possible phasing-in approach being followed.

4. Ndlambe Municipality Supplier Database

By amendment to the Supply Chain Management Policy, the municipality's supplier database, with effect from 1 July 2016, has become, *de facto*, the Central Supplier Database (see below).

5. Web Based Central Supplier Database (CSD)

With effect from 1 July 2016, Municipalities started using the CSD supplier number starting with (MAAA) which is auto generated by the Central Database System after successful registration and validation of the prospective provider as mandatory requirement as part of listing criteria for accrediting prospective provider in line with Section 14(1)(b) of the Municipal Supply Chain Management Regulations. This means that the requirement for Ndlambe Municipality to operate and maintain a separate supplier database has fallen away, as all organs of state (including municipalities) must, make exclusive use of suppliers who are registered on the CSD.

To this end:

- An amendment to the Supply Chain Management Policy of the municipality, in line with the recommendations of National Treasury regarding compulsory CSD registration, was approved by Council.
- SCMU officials have been assisting many local potential suppliers to register on the CSD.
- The Supply Chain Manager has been registering Ndlambe officials as users on the CSD so that user departments can search this database for potential suppliers. This is an ongoing process.

The response from, particularly local, current suppliers to the municipality has, regrettably, been extremely poor. Ongoing efforts to encourage registrations are being made but there exists a considerable risk that the

municipality, in order to ensure ongoing service delivery, may be left with no other option than to transact with unregistered suppliers.

The current user-friendliness of the CSD has proved to be rather challenging, and suggestions are being made, on an ongoing basis, to National Treasury regarding possible improvements to this aspect of the system.

6. Minimum Competency Levels

Section 119(1) of the MFMA states that: *"The accounting officer and all other officials of a municipality or municipal entity involved in the implementation of the supply chain management policy of the municipality or municipal entity must meet the prescribed competency levels."*

Both the Head: Supply Chain Management and Acquisition Officer must therefore comply with the requirements of the National Treasury: Local Government: Municipal Finance Management Act: Municipal Regulations on Minimum Competency Levels in this regard. To date, both the SCM Head and Senior Buyer have not yet attained this requirement and the municipality is pushing them to comply.

7. Abakus System migration to the Munsoft System

Due to onerous mSCOA account coding requirements and shortcomings of the Abakus system, Ndlambe Municipality had no option other than to acquire an mSCOA compliant/capable system, Munsoft being the software of eventual choice. The migration process commenced in March 2017, and many challenges soon manifested themselves e.g.

- A large number of Abakus orders having to be recaptured onto the Munsoft system.
- A defective Abakus report necessitating a review of the accuracy of all data relating to the above recapturing process.
- Munsoft stationery formats not talking satisfactorily to the SCMU's printers.

The challenges resulting from these additional work loads are being systematically addressed, but time constraints have resulted in considerable pressure being placed on the SCMU officials.

8. Deviations from SCM Processes

Although tendering procedures and many other provisions of the Supply Chain Management Policy were adhered to, many deviations (as defined in Section 36 of the SCM Regulations and Para 39 of Ndlambe Municipality's SCM Policy), mostly relating to the Informal and Formal Written Quotation provisions, still occur on a regular basis. Concerted efforts are continually being made by the Supply Chain Management Unit to inform user departments of ways to decrease their reliance on using deviations to support acquisitions.

9. National Treasury MFMA Circular 77 – Model SCM Policy for Infrastructure Procurement and Delivery Management

In October 2015 this circular, which suggested a separation of supply chain management requirements for general goods and services from those for infrastructure delivery, was issued. A "model" Infrastructure Procurement and Delivery Management policy was also provided.

As the current Supply Chain Management Regulations (Municipal Supply Chain Management Regulations per Notice 868 of 2005) do not make any provision for municipalities to have more than one Supply Chain Management Policy, no action, other than noting the contents of the circular, was taken.

10. National Treasury MFMA Circular 83 – Publication of information on the eTender Publication Portal

This circular, issued in July 2016, set out "requirements" by National Treasury (although a Circular is obviously not any form of Regulation) for municipalities and municipal entities to advertise, on the eTender Publication Portal (<http://www.etenders.gov.za/>), all their bids and publish notices of all awarded bids, cancellations and deviations, variations and extensions of existing contracts.

The circular also stated, *inter alia*, that:

- *"Accounting Officers must utilise the Organ of State System Account Application Form on the Office of the Chief Procurement Officer (OCPO) website to request access rights on the eTender Publication Portal."* No clarity has yet been provided to the SCMU regarding this matter.

- *“The National Treasury will facilitate access to the system and provide training and support in collaboration with Provincial Treasuries.”* No indication as to when this training will be provided has been received by the SCMU.

The circular also does not make any mention of a commencement date of the requirements. No action, other than noting the contents of the circular, has therefore been taken by the SCMU.

11. Preferential Procurement Regulations, 2017

The Minister of Finance, on 20 January 2017, made new regulations in terms of the Preferential Procurement Policy Framework Act of 2000, with a commencement date of 1 April 2017. The main changes from the repealed regulations of 2011 are as follows:

- The raising of the 80/20 preferential points upper threshold from R1 000 000 to R50 000 000 (Regulation 6).
- The permitting of specific targeting of bidders by means of pre-qualification criteria (Regulation 4).
- The permitting of tender wording to cover both the 90/10 and 80/20 preferential points systems (Regulation 3).
- Minor amendments to the preferential points table (Regulations 6(2) and 7(2)).
- Compulsory subcontracting (if feasible) to designated groups for contracts above R30 million (Regulation 9).
- Remedies available to organs of state regarding the submission of false information.

In view of these amendments, it was necessary for Ndlambe Municipality to amend its Supply Chain Management Policy. To this end, on 14 March 2017, the Supply Chain Manager submitted a draft 2017/2018 Supply Chain Management Policy, which incorporated changes per these new Regulations, to the Acting CFO and Finance PA for review, amendment if required and submission to Council for approval.

Municipal Regulations on a Standard Chart of Accounts (mSCOA)

In terms of section 169(1) (b) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), the Minister of Finance has signed into effect and subsequently published the Municipal Regulations on a Standard Chart of Accounts (SCOA) in terms of Notice 312 of 2014, Government Gazette No. 37577 subsequent to formal consultation. The Municipal Regulations on a Standard Chart of Accounts inter alia makes provision for an updated GFS Classification Framework, Detailed Classification Framework of the 7 Segments (SCOA Version 5.5).

In preparation for the implementation by all 278 municipalities by 1 July 2017, the National Treasury, in collaboration with the respective provincial treasuries has undertaken phase 4, Change Management and Piloting of the SCOA classification framework version 5.5. and has dealt with the transversal procurement procedures for mSCOA financial systems. The necessary structures have been established and municipalities and other stakeholders are kept informed of the way forward.

Ndlambe Municipality, unfortunately, was not declared a Pilot Site by National Treasury and in the initial phases the ABAKUS financial system would not have been mSCOA compliant however certain criteria have been amended and ABAKUS is now looking as if it will be able to be upgraded to meet mSCOA requirements. However, a new financial system or an updated financial system that is mSCOA compliant will have to be procured.

EMPLOYEE BENEFITS AS AT 30 JUNE 2018

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. For 2017/2018, this information will be populated once the Annual Financial Statements (AFS) have been completed

Financial year	Total Expenditure salary and allowances	Total Operating Expenditure (R'000)	Percentage
2015/2016	122 051 164	314 270 471	39.00%
2016/2017	118 877 349	316 616 592	37.00%

2017/2018			
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Below is a summary of Councillor and staff benefits for the year under review:

Financial year	2015/2016	2016/2017	2016/2018	
Description	Actual	Actual		Actual
Councillors (Political Office Bearers plus Other)				
Salary Package	5 959 606	6 050 938		
Senior Managers of the Municipality				
Salary Package	6440 005	5 759 796		
Other Municipal Staff				
Basic & 13 th cheque	69 224 109	72 148 748		
Allowances	3 181 829	3 996 189		
Post employee benefit	24 287 212	13 570 895		
Medical aid – Company contributions	7 784 420	8 432 080		
Unemployment Insurance Fund (UIF)	679 205	868 169		
WCA	403 962	421 327		
Skills development levy	884 013	931 208		
Leave pay provision	415 918	321 665		
Overtime payments	9 637 805	10 254 331		
Car allowance	2 760 908	2 683 744		
Housing Benefits	990 394	1 043 648		
Group insurance	403 129	432 967		
Industrial levy	43 435	44 429		
Casuals	1 354 826	3 727 949		
Sub Total	52 827 056	118 877 349		
Total	65 226 667	130 688 083		

Names of pension fund	Number of members	Names of Medical Aids	Number of members
Cape Joint Pension Fund		LA Health	
Cape Joint Retirement Fund		Bonitas	
SALA Pension Fund		SAMWU National Medical Scheme	
SAMWU National Pension Fund		Hosmed	
Sanlam Pension Fund		Key Health	

SERVICE PROVIDERS TO THE FINANCE DIRECTORATE STRATEGIC PERFORMANCE

Section 76(b) of the MSA states that KPIs should inform the indicators set for every municipal entity and service provider with whom the municipality has entered into a service delivery agreement. Service provider means a person or institution or any combination of persons and institutions which provide a municipal service.

- External service provider means an external mechanism referred to in section 76(b) which provides a municipal service for a municipality

- Service delivery agreement means an agreement between a municipality and an institution or person mentioned in section 76(b) in terms of which a municipal service is provided by that institution or person, either for its own account or on behalf of the municipality.

Section 121(b) of the MFMA and Section 46 of the MSA further state that a municipality should include the following related to service providers in its annual report:

- The performance of each service provider
- Comparison of the performance with targets set for and performances in the previous financial year; and
- measures taken to improve performance

Section 116(2) of the MFMA further states that:

The accounting officer of a municipality must:

- take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality or municipal entity is properly enforced;
- monitor on a monthly basis the performance of the contractor under the contract or agreement;

The following table is to provide information related to the performance of external service providers that were utilised by the finance directorate during the 2017/2018 financial year;

Contract name	Supplier name	Type of services rendered	Term of contract (in months)	Performance	Average rating	Comment and/or corrective action when under performed
Banking Services	FNB	Banking	Expired	Only issue was the slow response on electronic banking	Good	N/A
Delivery of Accounts	CAB Holding	Mailing of debtor accounts	Month to Month	Issues with e-mailed accounts	Fair	N/A
Asset Verification	PWC	Compile asset register	5 Months	Slow hand-over	Good	N/A
GRAP Advisor	A2A Kapano	Assistance with AFS	3 years contract	Good skills transfer	Good	N/A
Supplementary Valuation	Penny Lindstroom	Property Valuation Services	4 years	Insufficient data for appeal hearing	Fair	Matter addressed by using additional staff

FINANCE RELATED BY-LAWS

By-laws Introduced during 2017/2018					
Newly Developed	Revised	Public Participation conducted prior to adoption of by-	Dates of public participation	By-laws Gazetted* (yes/no)	Date of publication

		laws (yes/no)			
0	0	N/A	N/A	N/A	N/A

COMMENT ON BY-LAWS:

The finance policies that were reviewed and adopted for the 2017/2018 financial year did not necessitate any amendments to the financial by-laws that are in place. The finance related by-laws are available on the municipal web-site and at the finance offices.

FREE BASIC SERVICES AND INDIGENT SUPPORT

The free basic services were funded from the “equitable share” grant received from National Treasury.

The criteria for an Indigent Household for 2017/2018 were as follows:

- ✓ The applicant must be a resident of the municipality.
- ✓ The applicant must be in possession of a valid South African identity document.
- ✓ The combined or joint gross income of all occupants or dependants in a single household which receives services from the municipality may not exceed the thresholds determined by the municipality annually during consideration of the budget for the next financial year. The guideline relating to the household income threshold for a 100% rebate is an income of not more than two state pensions per month. The guideline relating to the threshold for a 30% rebate is an income between two government state pensions and R3500 per month.
- ✓ The applicant must be the owner or tenant who receives municipal services and is registered as an account holder on the municipal financial system; provided that the requirement of being registered as an account holder does not apply to households in informal settlements where no accounts are rendered nor in rural areas where no accounts are rendered.
- ✓ Any occupant or resident, as per the definition of indigent, of the single household referred to above may not own any property in addition to the property in respect of which indigent support is provided.
- ✓ A tenant can apply for the benefits in respect of the charges he/she is billed for while the landlord remains liable for all ownership related charges such as rates.
- ✓ The account of a deceased estate, may be subsidised if the surviving spouse or dependants of the deceased who occupy the property, applies for assistance.
- ✓ Rateable house value of less than R200 000.
- ✓ Any one of the following factors will serve as a disqualification :
 - ✓ Where the applicant is a subscriber to either M-net or DSTV;
 - ✓ Where the applicant has or allows any business to be operated on the property
 - ✓ Where there is no written service agreement with the applicant;
 - ✓ Where the applicant owns more than one property
 - ✓ Where any of the documents requested in the application is not supplied.

Water leaks on the consumer side of indigent households are repaired at no cost to the household by the municipality. Great savings on water losses were affected by these actions. The municipality needs to ensure that all indigent households have pre-paid electricity and water flow limited meters to keep consumptions to the limit allowed by the policy.

Financial Performance 2017/18: Cost to Municipality of Free Basic Services Delivered						
Category	2015/2016	2016/2017	2017/2018			
	Actual	Actual	Budget	Adjusted Budget	Actual	Variance %
	R'000					
Rates	2074	2122				

Electricity	3611	6248				
Water	2590	8137				
Sanitation	10586	11279				
Solid Waste	8369	9095				
Alternate Energy	490	84				
Other	4929	4881				
TOTAL	32 649	41 846				

Information to be supplied upon completion of AFS.

DEBTS WRITTEN OFF 2017/2018

2017/18		
Categories	Amount	%
RATES (MONTHLY)		
SERVICE CHARGE		
WATER		
SEWERAGE		
SANITATION		
REFUSE		
ELECTRICITY		
HOUSING		
LEGAL FEES		
INDIGENT CHARGE		
SUNDRIES		
ENVIRONMENTAL LEVY		
Total		

This information will be supplied after the AFS have been completed.

Finance Directorate Strategic Objectives for 2017/2018 as per Director's scorecard

BASIC SERVICE DELIVERY			
Objective	Indicator	Annual Target	Comments
Ensure that water is supplied as per DWA Standards	% increase of indigent households having access to free basic potable water	94%	This objective has been achieved and the monthly reports and indigent drives are evidence
Ensure that water is supplied as per DWA Standards	% increase of indigent household with access to free basic sanitation services	100%	All approved applicants are granted free basic sanitation benefit on approval of the application.
Ensure that water is supplied as per DWA Standards	% increase of indigent households with access to basic electricity service in direct proportion to housing projects coming on-line	100% of formal urban households to have access to electricity	This target has been achieved, all indigent within Ndlambe licenced distribution area are granted Free Basic electricity in our prepaid system
Ensure that water is supplied as per DWA Standards	% increase of indigent households with access to free alternative energy	Register for the distribution of gel stoves and fuel to all indigent households to be expanded by 5% per quarter.	Exceeded the target set
MUNICIPAL & INSTITUTIONAL DEVELOPMENT & TRANSFORMATION(KPA2)			
Ensure efficient and cost-effective management of the resources and the performance of the Municipality	Fiscal discipline maintained and monitored	12 S71 Reports Quarterly Financial Report Mid-year Budget Adjustment Report AFS	This target was met and all reports submitted
Ensure efficient and cost-effective management of the resources and the performance of the Municipality	Performance Information reports analysed and signed off	4 Quarterly Performance Reports S72 Mid-year Performance Report Annual Report	This target was met and all reports submitted
Ensure efficient and cost-effective management of the resources and the performance of the Municipality	Quarterly reports on implementation of Financial Delegations of Authority analysed and signed off	4 Quarterly Financial Delegations Reports Annual Financial Delegations Report	This target has not been met. The finance signed delegations are in place from 1 July 2015 but the 4 quarterly reports have not been completed.

Municipality			
Promote integrated development planning in the Municipality	Adopted Budget process and time schedule approved according to applicable prescripts	Adopted Budget process and time schedule	This target was met and approved by Council in August 2015
LOCAL ECONOMIC DEVELOPMENT			
MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT			
Ensure financial viability of the municipality	Improved revenue mechanisms to be implemented according to Municipal systems Act and the Municipal Finance Management Act.	100%	This target has been achieved for the financial year, Supplementary valuation roll was compiled and implemented, metering device audits had been done we are about to implement the results of Port Alfred water meter audits. Consumers are being migrated to prepaid electricity devices.
	Supplementary valuation rolls, as prescribed by the Municipal Property Rates Act No 6 of 2004, on all improvements to properties, subdivisions and consolidations done in the financial year.	100%	This target has been met and the supplementary valuation was implemented before year end
	Measures put in place to obtain a credit rating by independent rating agency	None	This target was not met as there was not sufficient funding available to undertake the credit rating
	% increase in revenue collection rate	78%	This target was achieved, as at 30 June 2016, a total 79.1% of the amount was collected.
	% expenditure spent on approved budget	80%	Did not achieve the results due to cash flows
	Compliance with budget preparation and budget related policies finalisation in accordance with the MFMA	100%	This target has been met and the tabled budget was considered by Council before end March 2016, budget was considered by Council before end May 2016 and budget was approved by Council before the start of the new financial year
	Number of in year budget performance reports as required by MFMA submitted on time	100%	This target has not been met as despite all reports been done and submitted not all were done on time.
	Compliant budget adjustment approved by council in terms of all legislated requirements by 28th February 2016	100%	This target was not met as although the main adjustment budget was approved by Council by end February 2016 other adjustment budgets were done after that period
	Positive cash flow management according to MFMA & its regulations maintained	100%	This target was not met as although we maintained a positive cash flow we had to hold back payments of certain creditors
	% improvement in the implementation of Indigent Policy	100%	This target has been met to a certain degree, Improvement of implementation is a continuous, consequently we have appointed service providers who will do use electronic indigent application

			devices.
Ensure that the implementation of Supply Chain Management according to the SCM policy	Compliance with legislated SCM reporting requirement in line with SCM Policy and MFMA	100%	This target has not been met as not all required reporting was done
	Standard operating procedures operationalised in accordance with SCM policy and legislation.	100%	This target has not been met as the function remains decentralised and not all documentation goes through the unit
	Steps taken to mainstream the implementation of SCM according to the policy and good practise	100%	This target has not been met as the function remains decentralised
	Procurement Plans monitored in line with the SCM policy	100%	This target has not been met as supply chain has not had any response to the request to provide the plans
	% reduction of irregular expenditure related to procurement documentation in line with legislation and SCM policy	100%	This target has not been met and is evident by the irregular expenditure register.
Ensure improved sound financial management	Annual financial statements that are 100% compliant to GRAP standards as per gazette issued by National Treasury	100%	Yes in our opinion this target has been met and the statements are 100% GRAP compliant
	Measures in place to monitor and control fruitless and wasteful expenditure	1	This target has been met and the register is maintained by the creditors section
	Increase in the number of finance employees that are competent (SETA certification) on minimum competency levels as regulated	4	This target has not been met. Two have completed and three are in the process of completing and one is still to commence
Maintain and manage all municipal assets	% increased budget provision for asset repairs and maintenance	1%	Target was met
	Asset Management System with Fixed Asset Register in place as prescribed by GRAP and the MFMA	100%	This target has been met with the assistance of Price Waterhouse Coopers. See the BAUD Asset Register
	% reduction of Stock losses	5%	Target was met
GOOD GOVERNANCE & PUBLIC PARTICIPATION			
Promote good corporate governance	A Framework for Financial Delegations of Authority in place as prescribed by the MFMA	Finance delegations registers signed as accepted and approved	This target was met and all signed delegations in place

Finance Directorate - Staff Component – 2017/2018

The staff component does not fall into an ideal structure and this needs to be addressed when the budget and cash flow allows. It is also critical that the budgeted posts in finance must be filled at all time or debt collection and segregation of duty becomes a problem and in turn increases the risk factor.

MFMA Competencies – Finance Directorate

In terms of Section 83 (1) of the MFMA, the accounting officer, senior managers, the chief financial officer, non-financial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the Municipal Finance Management Act.

Employees and interns were identified in the finance directorate to obtain the CPMD qualification and prescribed competencies.

All of the finance directorate staff apart from the Assistant Director: Expenditure has complied with the requirements of the Government Notice 493 of June 2007.

Financial Sustainability of the Municipality

Financial Overview: 2017/2018 (R'000)			
Details	Original Budget	Adjustment Budget	Actual
Income:			
Grants			
Taxes, levies and tariffs			

Details	2017/2018			
	Actual R'000	Adjustment Budget R'000	Actual R'000	Variance to budget
Employees				
General				
Repairs and Maintenance				

Financial Overview: 2017/2018 (R'000)			
Details	Original Budget	Adjustment Budget	Actual
Income:			
Grants			
Taxes, levies and tariffs			
Other			
Sub – Total			
Less: Expenditure			
Net Total*			
*Note: surplus/(deficit)			

BORROWING AND INVESTMENTS

Actual Borrowings: 2015/2016 to 2017/2018			
Instrument	2015/2016	2016/2017	2017/2018
Municipality			
Long – Term loans (annuity/reducing balance)	0	0	0
Long – Term Loans (non – annuity)	0	0	0
Local registered stock	0	0	0
Instalment Credit	0	0	0
Financial Leases	0	0	0
PPP liabilities	0	0	0
Finance Granted by Cap Equipment Supplier	0	0	0
Marketable bonds	0	0	0
Non – marketable bonds	0	0	0
Bankers Acceptances	0	0	0
Financial derivatives	0	0	0
Other securities	0	0	0
Municipality Total	0	0	0

The Ndlambe Municipality did not borrow any funds over the last three financial years and to-date only has the DBSA loans outstanding.

CHAPTER 2

INTRODUCTION TO GOVERNANCE (KPA 5)

Ndlambe Municipality strive to govern by the democratic values and principles enshrined in the Constitution, including the following principles:

- A high standard of professional ethics must be promoted and maintained
- Efficient, economic and effective use of resources must be promoted
- Public Administration must be development – oriented
- Services must be provided impartially, fairly, equitably and without bias
- People's needs must be responded to, and the public must be encouraged to participate in policy – making
- Public administration must be accountable;
- Transparency must be fostered by providing the public with timely, accessible and accurate information;
- Good human-resource management and career-development practices, to maximise human potential, must be cultivated;
- Public Administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness and the need to redress the imbalances of the past to achieve broad representation.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1 Political Governance

2.1.1 Council

The Council has 20 seats (10 Proportional Representative (PR) Councillors and 10 Ward Councillors). The Speaker is the Chairperson of Council. The party-political and demographic representation of Councillors is reflected in the table below:

Political Party	Number of Councillors	Gender of Distribution	
		Male	Female
African National Congress (ANC)	13	9	4
Democratic Alliance (DA)	6	3	3
Economic Freedom Fighters	1	0	1
TOTAL	20	11	9

2.1.2 Municipal Public Accounts Committee (MPAC)

The Municipality has a functional Public Accounts Committee in place, which fulfils an oversight role in respect of the institution's Executive and administration. The MPAC consists of members from two of the political parties represented in Council i.e. ANC and DA.

The Committee is made up as follows:

- African National Congress – 3 members
- Democratic Alliance – 2 members

Other key Council governance structures

Audit Committee: The Municipality has a functional Audit Committee. The Audit Committee is made up of three members and meets at least quarterly to advise Council on internal control, the adequacy, reliability and accuracy of financial reporting and information, performance management, effective governance and compliance with the relevant statutes. The Municipality has an approved Audit Committee Charter, which provides the responsibility and authority to the Audit Committee members to audit the risk management, controls and governance processes, which include the IDP framework, internal controls, financial management controls, procurement and performance management. The Audit Committee Charter outlines the objectives of the Audit Committee; broad powers of the Audit Committee; authority of the Audit Committee; duties and responsibilities of the Audit Committee; structure and composition of the Audit Committee; remuneration; term of members and requisite skills; and the functioning of the Audit Committee.

2.1.3 Administration

Municipal Manager is the head of the administration and Accounting Officer supported by four Directors. Political leadership and the administration complement each other to achieve the objectives of the IDP.

2.2 PUBLIC ACCOUNTABILITY AND PARTICIPATION

A Public participation strategy was formulated and adopted by Council in 2016. Policy to give effect to the Public Participation and accountability seeks to:

- Provide guidance to the municipality as to when and how to involve the public in planning and decision-making processes in Ndlambe Municipality
- Identify activities and projects that require public participation
- In cases where public participation optional, the policy will encourage the municipality to create public participation opportunities wherever appropriate.

Also, a Public Participation Manager has been appointed to give effect to public participation.

2.3 INTERGOVERNMENTAL RELATIONS

In line with Intergovernmental Relations Framework Act, the Ndlambe municipality, for the financial year under review, the municipality participated in a number of Munimecs, District Representatives Forums and the Integrated Development Plan (IDP) representative forums which consist of sector departments, furthermore Communications Forum under the auspices of the Communications Office and the Intergovernmental Forum under the auspices of the Mayor was established.

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

The Municipal Systems Act and Municipal Finance Management Act typically refer to providing stakeholders to participate in dialogues, to receive the required information and are provided with an opportunity for commenting. Furthermore, it is proposed that the municipality should consider policy that dictates compulsory public participation in, amongst others, the following processes:

- Major Policy Decisions;
- Project Planning;
- Strategic Programs and municipal strategies.

The municipality also uses a range of public participation methods which, amongst others, in no order of preference include the following:

- Meetings, workshops, forums;

- Different forms of group interaction;
- Focus Use of existing networks, organizations and/or institutions;
- Dissemination of information including the development and production of material and/or visuals;
- Fielding of information at public points e.g. libraries, schools etc.
- Audio visual materials;
- Interviews/recording and documentation using accessible language;
- Identification and consultation with diverse Interest groups and stakeholders;
- Tools to utilize may include an inventory of stakeholders/an assessment of the community landscape/targeted approach for hard-to-reach stakeholders (non-traditional audiences);
- Advocacy methods or groups;
- Use of Community Development Workers (CDW's);
- For raising public awareness and public education;
- For agenda setting and policy development processes;
- Performing operational functions;
- Capacity building of local community;
- Mediation between government and community;
- Seminars or awareness talks on a matter/s of public interest.

Mayoral imbizo's were conducted during the year under review throughout the wards to interact with communities at large to enhance public participation.

Ward Committees

All 10 ward committees were established and are fully functional. The table below reflect ward committee meetings held during the year under review.

2.5 IDP PARTICIPATION AND ALIGNMENT

Ndlambe Municipality established systems for the formulation of its five year IDP (2017-2022) in order to reinforce alignment with government departments and ensure public participation.

Ndlambe Municipal Council

Ndlambe Municipal Council should adopt the draft Integrated Development Plan which is to be used as a basis for consultation. After completion of the consultation process, the final IDP was adopted together with the Budget in June 2017.

IDP Steering Committee

This Committee consists of the Mayor and the Executive Committee, the Municipal Manager and the Head of Departments.

The following are inter alia; the functions of the IDP Steering Committee:

- Engage in strategic discussions regarding the plans for the respective functional areas;
- Evaluate progress made in the implementation of the process plan and initiate corrective action where necessary;
- Evaluate the impact of the Integrated Development Plans;
- Review and refine the vision for Ndlambe Municipality. Ensure that the vision is incorporated into the IDP;
- Refine and review IDP objectives, strategies and projects for consideration by Ndlambe IDP Representative Forum and the incorporation thereof into the IDP.

IDP and Budget Representative Forum

The IDP and Budget Representative Forum is the structure established for the purpose of review and implementation of the IDP and ensures maximum participation of different interest groups and sectors. The Forum provides for communication to ensure that the community at 'grass roots' gets an opportunity to determine its destiny.

The IDP Representative Forum shall, inter alia:

- Ensure that every activity and decision taken in its meetings are properly communicated to the forum members' respective constituencies;
- Monitor the implementation of the IDP;
- Reflect and safeguard community inputs by acting as 'messengers' of the communities;
- Represent the interests of their communities;
- Provide an organisational mechanism for discussion, negotiation and decision-making between stakeholders, including the municipality;
- Participate in the process of setting and monitoring key performance indicators.

2.6 RISK MANAGEMENT

A Risk Management Plan was developed in the 2017/2018 financial year. A risk register was compiled and approved by the Audit Committee and subsequently the minutes of the Audit Committee are noted by Council annually. Embedding risk management within the municipal business processes was central to the annual risk management program. To drive this program, a risk forum made up of risk coordinators stationed at various directorates was established. Annual risk assessment workshops are held on each and every financial period with various risk coordination. The Audit Committee monitored implementation of the risk responses to the top risks at its meetings.

2.7 ANTI-CORRUPTION AND FRAUD

Fraud Prevention Plan

Ndlambe Municipality subscribes to the principles of good corporate governance, which requires conducting business in an honest and transparent fashion. Consequently Ndlambe Municipality is committed in fighting fraudulent behaviour at all levels within the municipality.

The policy of Ndlambe Municipality is zero tolerance to fraud and corruption. In addition, all fraud and corruption are investigated and followed up by application of all remedies available within the full extent of the law and the implementation of appropriate prevention and detection controls. These prevention controls include the existing financial and other controls and checking mechanisms as prescribed in the systems, policies and procedures of Ndlambe Municipality.

It is the responsibility of all employees to immediately report all allegations or incidents of fraud and corruption to their immediate manager. Should an employee be concerned that the manager is involved; the report can be made to any other member of management, the Municipal Manager and / or the Chairperson of the Audit Committee.

All managers are responsible for the detection, prevention and investigation of fraud and corruption and must report all incidents and allegations of fraud and corruption to the Municipal Manager. The Municipal Manager will initiate an investigation into the matter. Should any employee wish to report allegations of fraud and corruption anonymously, they are at liberty to contact any member of management, the Municipal Manager, the Chairperson of the Audit Committee, Mayor and/or the National Hotline on 0800 701 701.

2.8 SUPPLY CHAIN MANAGEMENT

Substantial progress made on proactively dealing with the reduction of irregular expenditure by inspecting the necessary SCM regulated documents, e.g. Tax clearances etc. The Supply Chain Management Unit officials do participate in the municipal procurement committees. The unit assist the procurement committees on SCM policy related matters, such as the 80/20 – 90/10 points allocation system.

The SCM policy is reviewed annually with other Budget related policies and amendments drafted and approved in keeping with the New Preferential Procurement Regulations. These regulations are meant to assist the Small Micro Medium Enterprise and projects to roll-out B-BBEE throughout the Municipality has commenced.

Even though most of the SCM Policy processes are decentralised, orders are issued by this unit. Where necessary documents required by the policy are checked before payments are authorised.

2.9 BY-LAWS

No new by-laws were introduced and/or revised in the 2017/2018 financial year.

2.10 WEBSITE

www.ndlambe.gov.za

CHAPTER 3

SERVICE DELIVERY PERFORMANCE

COMPONENT A: BASIC SERVICES

3.1 WATER AND SANITATION

The Regulator for all Water and Sanitation Services is the Department of Water Affairs. Compliance monitoring and process control management oversight is done by this department.

Ndlambe Municipality is located within the Sarah Baartman District Municipality and is home to some 80 000 people. The Ndlambe Municipality (NM) is the legislated Water Services Authority for the area.

Ndlambe Municipality was appointed to act as both the Water Services Authority and Water Services Provider and fulfills both of these functions. However, the institutional arrangements profile consists of the following bulk & retail functions listed below.

Currently all the WSP functions and duties are conducted by either Water Services Providers, Water Services Support Service Agent or the Municipality itself and are as follows:

- Water Services Authority: Ndlambe Municipality, with Community Protection Services doing all water quality control monitoring operations.
- Water Services Provider: Ndlambe Municipality, with Infrastructural Development doing all water provision, with the exception of the following operations :
 - Alexandria Water Supply: P&S Consulting Engineers appointed to provide bulk water within a Water Services Support agreement
 - Kenton/Bushmans Water Supply: Amatola Water Board appointed to provide bulk water within a Water Services Provider agreement

All other Water Supply Systems are managed and operated by Ndlambe Municipality's Infrastructural Development Directorate, as the Water Services Provider. These include the following Water Supply Systems :

- Port Alfred Water Supply System
- Kleinemonde Water Supply System
- Bathurst Water Supply System

Ndlambe Municipality operates and maintains all water supply systems within both Water Services Authority and Water Services Provider functions, with the exception of the Amatola Water Board (previously Albany Coast Water Board) supply footprint, where bulk water is supplied by the Amatola Water Board.

There are six (6) local water supply schemes which service the main settlements within the area. Port Alfred, Seafeld and Bathurst are all fed mainly from surface water schemes whilst Boesmansriviermond, Kenton on Sea, Alexandria, Boknestrand and Cannon Rocks are supplied from ground water schemes.

Boesmansriviermond and Kenton on Sea augment their groundwater supplies with desalinated water through the Reverse Osmosis plant situated at Boesmansriviermond. The towns of Cannon Rocks and Boknes receive Reverse Osmosis processed water from saline borehole sources.

Potable, treated water is piped to all formal urban communities within Ndlambe, and is available to the vast majority of households. However, some of the Bathurst and Trappes Valley communities still rely on rainwater and private boreholes. The latter are considered for municipal supply within the IDP.

Where informal settlements occur, such as on the Brakfontein Farm commonage on the periphery of Alexandria, tankers transport water to strategically placed tanks, which are accessible to those that need.

Ndlambe Municipality operates and maintains all sewerage systems within both Water Services Authority and Water Services Provider functions. Water-borne sewerage is available to the majority of households.

The Ndlambe Municipality Council has determined that water-borne sewerage be the minimum level of service to the consumer base. This decision, although well intended, places tremendous strain on the available water resources. Leaking toilets have been identified as a leading reason for water loss. Astute management practice is being instilled within the unit responsible for operation and maintenance of these systems.

There are five (5) waste water treatment works being fed from water-borne sewerage systems which service the following communities:

- 1 Wentzel Park, Alexandria and Kwanongobela
- 2 Marselle and Harmony Park
- 3 Ekuphumleni
- 4 Port Alfred and Nemato
- 5 Nolutkhanyo

The provision of sewerage services excluding reticulation infrastructure includes a large proportion of the households in Ndlambe. Water-borne sanitation services are not available to several communities, who rely on conservancy tanks and septic tank sewerage systems. Ndlambe provides the service for the removal of sewerage using a fleet of sanitation vacuum tankers. These vehicles and their operational staff are under continuous pressure to deliver services. Breakdowns, due to an aged fleet, create backlogs and a dissatisfied consumer base.

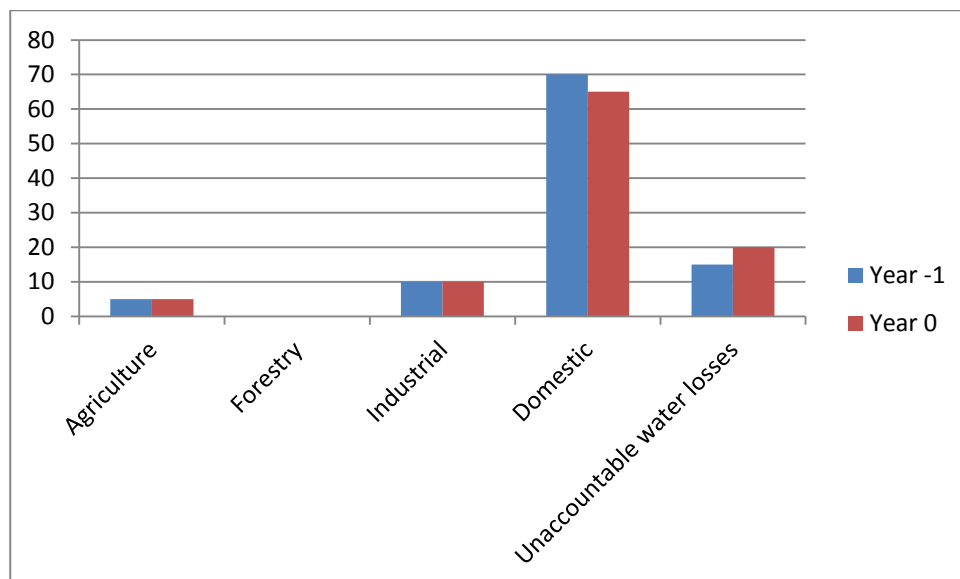
The following communities still rely either solely on septic tank / soakaway systems or conservancy tanks or to some lesser degree:

- 1 Cannon Rocks
- 2 Boknes
- 3 Boesmansriviermond
- 4 Riversbend
- 5 Kenton-On-Sea
- 6 Seafeld
- 7 Bathurst
- 8 Port Alfred and Nelson Mandela Township

These households are serviced by a fleet of sanitation tankers, several of which are well beyond their expected operating lifespan. Financial constraints dictate that Ndlambe must make do with this fleet. . Ndlambe Municipality has set aside a budget to purchase (2) two sanitation vacuum tankers in the financial year 2018/19.

All municipal toilet facilities, change rooms and other ablution facilities not connected to water-borne sewerage pipes are serviced by this fleet. Blockages are also attended to, often resulting from the inappropriate utilisation of the service. It is the objective of Council to achieve and sustain "Green Drop" status throughout all of Ndlambe. This is a compliance monitoring system which is managed and implemented by the Department of Water and Sanitation. This quality and service goal is being achieved by improving management performance, which should lead to acceptable discharge water quality.

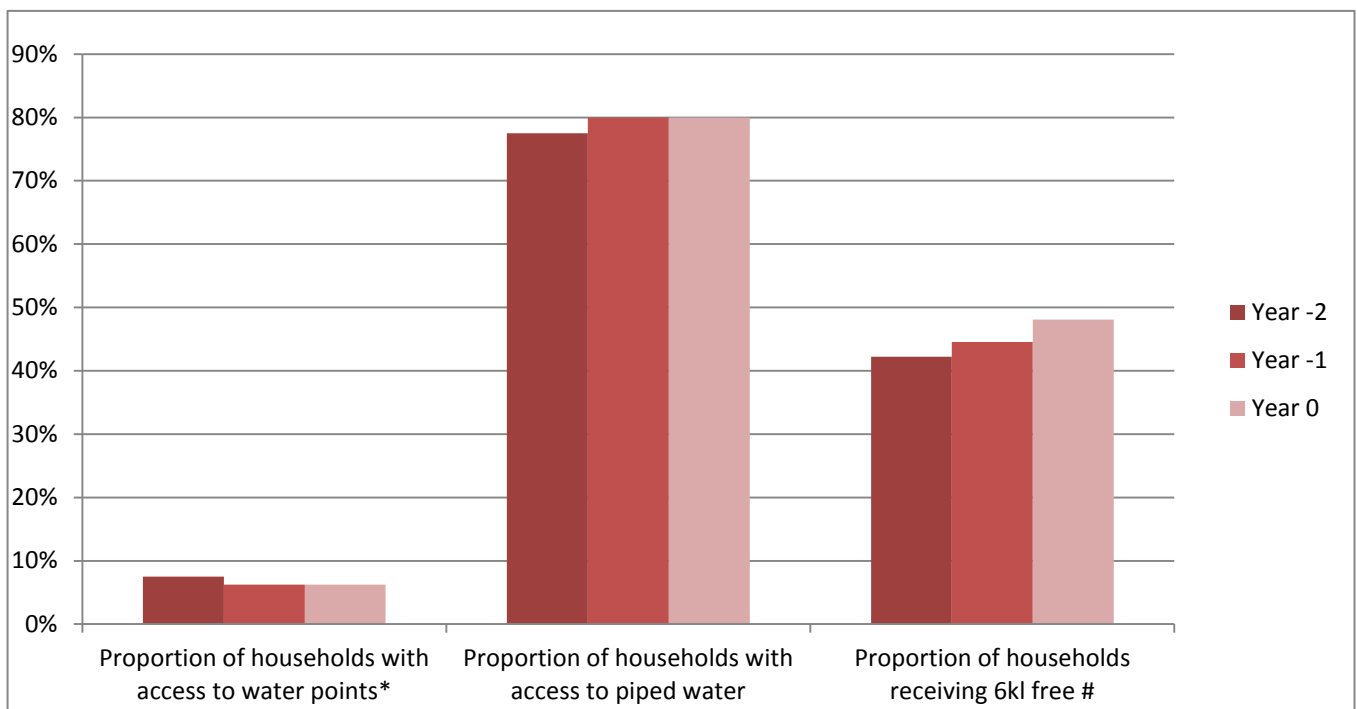
Total Estimated Proportional Use of Municipal Supplied Water by Sector					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
Year -1	5	0	10	70	15
Year 0	5	0	10	65	20



Water Service Delivery Levels				
Description	Year -3	Year -2	Year -1	Year 0
	Actual No.	Actual No.	Actual No.	Actual No.
Water: (above min level)				
Piped water inside dwelling	546	655	846	7432
Piped water outside yard (but not in dwelling)	865	456	486	9649
Using public tap (within 200m from dwelling)	486	465	546	1866
Other water supply (within 200m)				
Minimum Service Level and above sub – total	1898	1576	1879	18492
Minimum Service Level and above percentage	80%	80%	76%	90%
Water: (below min level)				
Using public tap (more than 200m from dwelling)				560
Other water supply (more than 200m from dwelling)	486	486	486	757
No water supply				
Below Minimum Service Level sub-total	486	486	486	1317
Below Minimum Service Level Percentage	20%	20%	24%	26%
Total number of households*	2,476	2,384	2,062	1.876
*_ To include informal settlements				

Indigent Households – Water Service Delivery Levels below the minimum						
Description	Year -3	Year -2	Year -1	Year 0		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
Formal Settlements						
Total Households	7696	8448	8905			9618
Households below minimum service level	0	0	0			0
Proportion of households below minimum service level	0	0	0			1866
Informal Settlements						
Estimated Total Households	1500	1000	1000			1000
Households below minimum service level	500	250	250			250
Proportion of households below minimum service level	33%	25%	25%			25%

Access to water



Water Service Policy Objectives Taken from the IDP									
Service objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
Service Indicators		Target	Actual	Target		Actual	Target	Target	
(i)		(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current year (viii)	*Current year (ix)	*Following year (x)
Service Objectives : To achieve Blue Drop status in all formal supplies within a sustainable, affordable and effective manner									
Households without minimum water supply	Additional Households provided with minimum water supply during the year (Number of households (HHs) without supply at year end)	250 additional HHs (xxxxx HHs outstanding) In Bathurst 304 H/H have been connected	284 additional HHs (xxxxx HHs outstanding)	300 additional HHs (xxxxx HHs outstanding)	335 additional HHs (xxxxx HHs outstanding)	335 additional HHs (560 HHs outstanding) 19 H/H were connected to the system	757 additional HHs (0 HHs outstanding)	0 additional HHs (0 HHs outstanding)	0 additional HHs (0 HHs outstanding)
Improve reliability of water supply	Reduce the number of interruptions (Ints) in supply of one hour or more compared to the baseline of Year - 1 (xxx interruptions of one hour or more during the yr)	TO% (xxxx Ints) Note : There are 6 water supply systems. Interruptions per system are recorded	AO% (xxxx Ints)	T1% (xxxx Ints)	T1% (xxxx Ints)	A1% (xxxx Ints) There are 6 water supply systems. Interruptions per system are recorded	T2% (xxxx Ints)	T5% (xxxx Ints)	T5% (xxxx Ints)
Improve water conservation	Reduce unaccountable water levels compared to the baseline of Year - 1 (xxx kilolitres (KLs) unaccounted for during the yr)	TO% (xxxx KLs) Note : Bulk Water Meter Audit underway to establish unaccountable water	AO% (xxxx KLs)	T1% (xxxx KLs)	T1% (xxxx KLs)	A1% (xxxx KLs) Ndlambe Municipality has established a WCDM team that consist of plumbers and general workers from internal staff	T2% (xxxx KLs)	T5% (xxxx KLs)	T5% (xxxx KLs)

Water Service Policy Objectives Taken from the IDP									
Service objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
Service Indicators		Target	Actual	Target		Actual	Target	Target	
(i)		*Previous year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current year (viii)	*Current year (ix)	*Following year (x)
Service Objectives : To achieve Blue Drop status in all formal supplies within a sustainable, affordable and effective manner									
Augmentation of municipal Water Supply	Number of households provided with established rainwater tanks, guttering and downpipes		No water tanks provided for the households. (informal settlements) have been provided with standpipes within 200m.		Number of households provided with established rainwater tanks, guttering and downpipes	No water tanks provided for the households. Bulk water provision is being upgraded to meet the demand. All areas without water reticulation (informal settlements) have been provided with standpipes within 200m. No households in formal settlements are without water.			
Continuous supply of sufficient potable water that meet national compliance standards throughout Ndlambe	Water supplied as per DWA standards and guidelines		96%		Water supplied as per DWA standards and guidelines	97%			
Efficient utilisation of available resources	Reduction in accounted water and wasteful consumption within indigent households		12%		Reduction in accounted water and wasteful consumption	Due to Bulk Water Meter Audit underway to establish unaccountable			

					within indigent households	water estimate is 10 – 15%			
Increase investment in upgrading of existing infrastructure	Measured decrease in water supply shortfalls		10 days/annum		Measured decrease in water supply shortfalls	Less than 10 days/annum			
Increase investment in maintenance of existing infrastructure	Assets maintained to extend longevity of system with maintenance and repairs expenditure		21 Pump stations were maintained and other assets as per the need.		Assets maintained to extend longevity of system with maintenance and repairs expenditure	21 Pump stations were maintained and other assets as per the need.			
Sanitation Policy Objectives Taken from the IDP									
Service objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
Service Indicators		Target	Actual	Target		Actual	Target	Target	
(i)		*Previous year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current year (viii)	*Current year (ix)	*Following year (x)
Service Objectives : Reticulated waterborne sewerage for all Ndlambe households to increase by 10% per annum									
Reticulated waterborne sewerage for all Ndlambe households to increase by 10% per annum	Decrease in households using septic tanks, pit latrines and conservancy tanks		2448						
	Increase in investment in upgrading existing infrastructure by 10% per annum		Spent R 46 Million from Bucket eradication in Nemato and R17Million MIG allocation in Marselle				No sewer project was implemented in financial year 2017/18		

Service Objectives: To achieve Green Drop status in all formal supplies within a sustainable, affordable and effective manner									
	Improvement in Green drop scorecard from previous evaluation		The results have improved from average of 33% to 45.53%						

Employees: Water Service					
	Year -1	Year 0			
Job Level	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	27	27	25	2	83%
4-6	21	21	21		
7-9	7	7	7		
10-12	4	4	4		
13-15	2	2	2		
16-18					
19-20					
Total	61	61	60	1	2%

COMMENT ON WATER AND SANITATION SERVICES PERFORMANCE OVERALL:

Performance of water services and the provision thereof has seen improvements on many fronts when one considers the IDP objectives and goals. Achieving targets are fund-related. Grants received are limited. Internal capital funds have not been available. The need exceeds the available funds, so the challenge has been to make as big a change as possible within the available resource base.

The Municipality is committed to improving water service provision in its region despite the recent water service challenges, which include the following challenges and remedial action:

- Insufficient supply quantity to meet the growing demand
 - Remedial actions include various Water Conservation projects. Ndlambe Municipality has established a WCDM team that consist of plumbers and general workers from internal staff that has started piloting the conservation of water in areas of Alexandria, Marselle and Kenton on Sea. Water conservation and demand management practices are continually being assessed and improved, as funds become available.
- Aged infrastructure operating within extreme environmental conditions
 - Remedial actions include that the entire infrastructural “as-built” within this sector is being assessed within a master plan.
- Poor quality of low cost house plumbing leads to leaks and subsequent loss.
 - Remedial actions include loss control and the addressing of leaks in indigent households. This has been done on a wide scale throughout Ndlambe.
 - Future low-cost house design will focus on the quality of all water and sanitation fittings included in the house construction.
- Source quality, where the main phenomena affecting the quality of the water in the region is the materialization (or salination) of the water in the main catchments due to the geology (marine origin) of the area.
 - Remedial actions include the establishment and operation of Reverse Osmosis Technology, which, although expensive, is effective in addressing salinity issues and is now operational in Cannon Rocks, Boknes, Kenton-On-Sea and Boesmansriviermond.
- Massive peaks in demand, due to the transient nature of this consumer base.
 - Bulk storage reservoirs have been prioritised within the Water Services Plan. Funding channels have been provided and prioritised projects have begun implementation.

It is the intention of the municipality to achieve and sustain “Blue Drop Status” within water services provision. This is a compliance monitoring system managed and implemented by the Department of Water and Sanitation, as the regulator. Ndlambe Municipality has, as a result of the above, identified a need for the development of an Infrastructure Master Plan for water services (water and sanitation). Funding has been allocated to the NM by the Development Bank of South Africa (DBSA). The objective of the project is to develop a water service infrastructure master plan with associated as built drawings of the existing infrastructure.

3.2 ELECTRICITY

Electrical supply, at a basic Level of Service, is achieved and continues to improve. Housing projects do not get the go-ahead for implementation until such time as bulk services are installed, which includes electricity supply. Escalating cost of supply is a worrying factor, as affordability and sustainability of supply is under pressure. The Ndlambe Municipal Electrical Network Audit Report was prepared and submitted, highlighting component requirements, backlogs and strategic planning for future supply provision parameters.

Ndlambe Municipality renders electrical services in the towns of Port Alfred and Alexandria. Eskom supplies electricity in bulk to both components. Port Alfred town has one 11-kilovolt-supply point and Alexandria has one 11-kilovolt-supply point. Eskom supplies electricity to the rural areas outside Ndlambe, also Boknes, Cannon Rocks, Bushmans River, Marselle, Bathurst, Nemato, Alexandria, Ekuphumleni, Station Hill and Kleinemonde.

Ndlambe Municipality buys electricity in bulk from Eskom and is responsible for the distribution thereof within its approved areas of supply, under license from the National Electricity Regulator. Electricity is taken from Eskom at two intake substations, i.e. Port Alfred and Alexandria, and redistributed to the end consumer through a series of cables, lines and substations.

The directorate is responsible, and employs a service provider, namely, Manelec Services (Pty) Ltd, for:

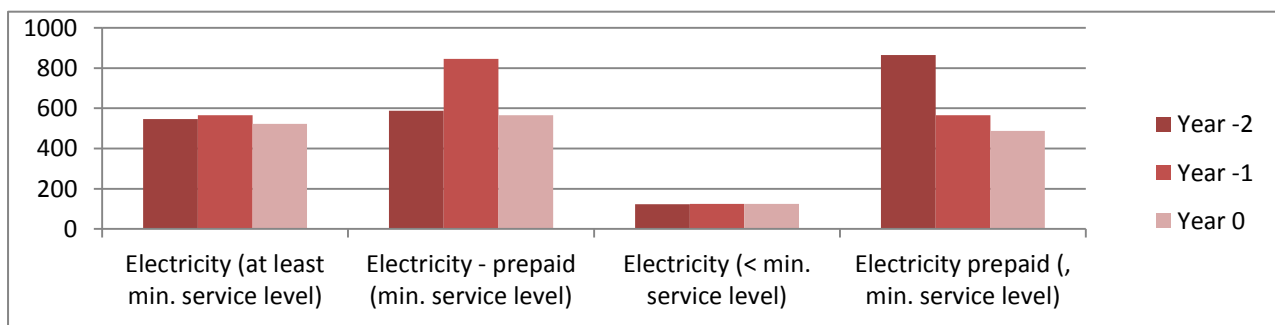
- The construction and maintenance of the distribution network as well as providing new infrastructure to ensure a reliable and affordable supply of electricity to all;
- The effective management of revenue by ensuring all electricity supplied is billed for and reducing losses in order to cover operating and capital expenses;
- The provision of a reliable and acceptable level of public lighting to improve the safety and living standards of residents, including street and public lighting for Boknes, Cannon Rocks, Bushmans River, Marselle, Bathurst, Nemato, Alexandria, Ekuphumleni, Station Hill and Kleinemonde.

The challenge experienced is a streetlight backlog in the areas that were formally under Eskom's management. The Municipality is dealing with this. Management of public lighting, including high mast lights, is normally shopped out to an annual tender service provider.

INTRODUCTION TO ELECTRICITY

The distribution and reticulation areas, excluding provision of electricity by Eskom, covers Port Alfred and Alexandria. Each consumer is considered a customer and has got access to electricity supply. The electrical supply to Port Alfred is of a high standard. The electrical supply to Alexandria, inclusive of Wentzel Park, needs upgrading. In Port Alfred there are still numerous medium voltage feeders which were laid many years ago. These have now become inadequate to carry the required increasing load. This requires upgrading. The problem is not purely an overload one, but it also prevents safe management practice.

Due to a lack of funds we have not been able to upgrade these cables, which are now practically redundant. Alexandria is also at the stage where all MV cabling needs upgrading. Although the expansion of the town is not excessive, this should be considered in the near future. Funding should be prioritized to cater for the increasing loads



Households – Electricity Service Delivery Levels below the minimum						
Description	Year -3	Year -2	Year -1	Year 0		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
Formal Settlements						
Total Households	N/A	N/A	16684			N/A
Households below minimum service Level			1866			
Proportion of households below minimum service level						
Informal Settlements Only in ESKOM Supply Area						
Total Households	To Be Established	To Be Established	To Be Established			To Be Established
Households ts below minimum service						
Proportion of households ts below minimum service level						

Electricity Service Policy Objectives Taken from the IDP									
Service objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
Service Indicators		Target	Actual	Target		Actual	Target	Target	
(i)		*Previous year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current year (viii)	*Current year (ix)	*Following year (x)
Service Objectives : That the Ndlambe community has access to a reliable and consistent supply of electricity and street lights, as provided by Manelec and Eskom									
Provision of minimum supply of electricity	Additional households (HHs) provided with minimum supply during the year (Number of HHs below minimum supply level)	xxxxxx additional HHs (xxxxxx HHs below minimum)	xxxxxx additional HHs (xxxxxx HHs below minimum)	xxxxxx additional HHs (xxxxxx HHs below minimum)	xxxxxx additional HHs (xxxxxx HHs below minimum)	xxxxxx additional HHs (xxxxxx HHs below minimum)	xxxxxx additional HHs (xxxxxx HHs below minimum)	xxxxxx additional HHs (xxxxxx HHs below minimum)	xxxxxx additional HHs (xxxxxx HHs below minimum)
4335	0	509	509	509	0	29	0	1000	0

Electricity Service Policy Objectives Taken from the IDP									
Service objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
Service Indicators		Target	Actual	Target		Actual	Target	Target	
(i)		*Previous year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current year (viii)	*Current year (ix)	*Following year (x)
Service Objectives : That the Ndlambe community has access to a reliable and consistent supply of electricity and street lights, as provided by Manelec and ESKOM									
To provide free basic alternative energy to all indigent households with no electricity by 30 June 2015	All registered indigents				All registered indigents	6900			

Employees: Electricity Service					
	Year -1	Year 0			
Job Level	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	2	2	2	1	50%
4-6					
7-9					
10-12	5	5	5	0	0
13-15	5	5	5	0	0
16-18					
19-20	1	1	1	0	0
Total	13	13	13	0	0

Financial Performance Year 0: Electricity Services (R'000)					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to budget
Total Operational Revenue	38 344 135	54 404 169	55 069 306	54 404 169	
Expenditure:	34 631 435	50 792 779		51 833 420	
Employees	378 570	471 720		118 028	
Repairs and Maintenance	3 334 130	1 672 520		729 349	
Other					
Total operational Expenditure	38 344 135	54 404 169		54 404 169	
Net Operational Expenditure					

Although there is an urgent need for capital expenditure there is presently no funds available to address this need.

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

The Ndlambe Municipality submitted an application to Eskom for a 2.4MVA increase in bulk supply to Port Alfred. This application has been approved by Eskom. Payment for this has been made by Ndlambe. We are now awaiting the energizing by Eskom.

Power supply characteristics in the areas supplied by Eskom are not ideal. Surges and spikes in power supply have a negative impact on equipment and machinery. Even though measures are taken to reduce the impact of the above, there is still regular damage to pumps and motors. This is due to being at the end of the Eskom supply line.

3.3 HOUSING

INTRODUCTION TO HOUSING

The Ndlambe Municipality's strategy for the provision of subsidised housing is to eliminate housing backlogs and to provide appropriate housing for those who cannot provide for themselves.

Intensive projects have been implemented in the past, although in Year 0 no new projects were initiated. These are dependent on the provision of basic services prior to top-structure and for which basic service projects are currently underway.

There are areas where subsidised housing backlogs are growing, due to several factors. Migratory trends have seen an influx of indigent people into the area. Disaggregation of families into more than one housing unit has also resulted in expanding backlogs.

The top 3 service delivery priorities for Council have been water, sanitation and road priorities. The impact of these projects has been that essential upgrades and improvements have taken place during Year 0 which will enable stalled subsidised housing projects to be revisited. These projects were stalled due to the lack of sufficient bulk services.

The Ndlambe Municipality identifies and responds to those communities that are living in poverty by providing land and certain essential services to decrease the deficiencies in basic service delivery.

There is a housing section within the Infrastructural Development Directorate, which has satellite offices in Alexandria, Kenton-on-Sea and Boesmansriviermond. The level and extent of service provision is as support to the Dept Human Settlement and to assist the indigent with the application process for a subsidised house.

Expanded housing requires expanded bulk services. The cost of renewing and upgrading core infrastructure to maintain the demand for housing is a continual challenge. This balance affects net demand in the municipality as project lists need to be prioritised for implementation. Ndlambe Municipality is responding well to the challenges created, by ensuring adequate bulk services are available and that indigent registers are maintained.

Expenditure on housing is done by the Dept Human Settlement and is facilitated by Ndlambe Municipality.

Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
Year -3			
Year -2			
Year -1	21009	9009	43%
Year 0	21769	9009	41%

Housing Service Policy Objectives Taken from the IDP									
Service objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
Service Indicators		Target	Actual	Target		Actual	Target	Target	
(i)		(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objectives : Adequate shelter for all people throughout Ndlambe with specific emphasis on low income households.									
Provision for housing for all households	Additional houses provided during the year (Houses required at year end)	613 additional houses (Planned)	0 additional houses	0 additional houses	0 additional houses (Planned)	0 additional houses			
Kenton on Sea Housing project	455 New houses built	564		564	0	455			

Employees: Housing Service					
	Year -1	Year 0			
Job Level	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3					
4-6					
7-9					
10-12	5	6	5	1	83%
13-15	1	1	1	0	0%
16-18	1	1	1	0	0%
19-20					
Total	7	8	7	1	15%

The funding for houses is directly from human settlement as stipulated in the constitution, Council only manages projects.

COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

The trend towards disaggregation of families into more than one housing unit; and the cost of renewing and upgrading core infrastructure is a challenge, especially within the context of affordability.

Recent standards and norms in subsidised housing practice have tended towards Breaking New Ground Projects, such as has been implemented in Thornhill, Port Alfred.

This development could only go ahead once bulk services were installed and available. As a result, only 509 of 5000 houses were built in the first phase, awaiting bulk services for the balance of houses.

With the introduction of Amatola water the challenge of bulk will be temporary curbed as it was reported by Amatola water that 2900 housing units have been unlocked by the upgrades that took place in recent months. It was further reported that out of 2900 housing units that can be developed in Thorn hill only 600 units can be built at this stage due to bulk electricity shortage.

In Kenton on Sea the bulk is completed, we should have a contractor on site for internal reticulation very soon.

COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and waste water (stormwater drainage).

INTRODUCTION TO ROAD TRANSPORT

Ndlambe Municipality manages road alignments which are within the urban footprints of the Spatial Development Plan. Management includes operations, maintenance, upgrades and refurbishment. All other alignments are managed by other sector departments, including Department of Roads and SANRAL. These include both surfaced and gravel roads.

There is the Ndlambe Roads Forum, which meets on a regular basis and is well represented by stakeholder groups within the district.

The major alignment and road artery which runs through Ndlambe from east to west is the R72, the management of which falls under SANRA. This road is a vital link between the two development nodes of Coega outside Port Elizabeth and the IDZ on the outskirts of East London. The route contributes to the economy of the municipality and provides access to the heart of the Sunshine Coast, being Port Alfred and surrounds, thereby bringing tourists and visitors on an ever-increasing scale.

It is a well-known and measured fact that the road network servicing Ndlambe Municipality is in a poor state. A general shortage of maintenance staff, necessary to maintain in excess of 280km of surfaced and gravel roads, is a continual challenge. The table below indicates the extent of the road network in the various towns within Ndlambe.

In 2004 Ndlambe received a grant from the DBSA and commissioned Consulting Engineers, Stewart Scott Inc. to prepare a Roads Management Programme. The report, received in 2005, indicates that an amount in excess of R 400 million was required to address essential road maintenance backlogs. An additional sum was also determined for capital investment in order to upgrade the existing road network and to establish new alignments.

It was established in this study that an amount of approximately R10 million per annum was required for road maintenance. Given the lack of internal capital budget, the municipality is faced with a mammoth uphill task of maintaining the road network, with an escalating backlog but is doing the best it can to upgrade the roads

3.4 ROADS

INTRODUCTION TO ROADS

There is little doubt that Ndlambe Municipality faces numerous challenges when it comes to road maintenance services. However, intensive upgrades have recently been achieved within the Port Alfred CBD and surrounding areas, using labour intensive construction to construct concrete and block paving alignments. These have been welcomed by the public.

The majority of the existing road network was inherited when the demarcation process was formalised in 2001. This network was established by the former Town Councils, who did not adhere to general construction practice and standard road designs

The condition of the road network in Ndlambe is generally poor. This is due to several factors, including the following:

- Poor quality of available road building materials,
- The former Town Councils did not adhere to general construction practice and standard road designs
- inadequate or non-existent storm water control infrastructure,
- lack or complete absence of adequate plant and equipment and
- restricted financial resources.

Routine maintenance (day to day pothole repair, repair and unblocking of drains and blading of gravel roads) expenditure recommended by the 2004 Stewart Scott Inc. Road Management Programme for 2004/2005 was R 9.8 million. Escalating this by a conservative 7.5% per annum gives a figure of R16.3M for the current year in review (2011/12). The actual expenditure was R 9.65 million, a shortfall of almost 50%. The periodic maintenance (resealing of surfaced roads and regaveling of gravel roads) is recommended to have been in the order of R 5.5M for the current year in review and in the order of R30M to date since the recommended implementation of the road management programme. Due to budgetary constraints this scale of implementation has been impossible. The above figures would have been adequate just to maintain the status quo with regard to the condition of the road transportation network.

The capital expenditure recommended by the same Stewart Scott Inc. Road Management programme is R 24.7 Million for the year under review and to date it is recommended that R 96.4 million should have been invested in new and upgraded infrastructure by now. If we assume an average width of 6m for all roads then a replacement cost of R 2.5 million per km for surfaced roads and R 500 000 per km for gravel roads would not be unrealistic.

Based on these figures, our 172km of surfaced roads and 140km of gravel roads represent an asset on the ground with a replacement value in the order of R 500 million rand. Easily the single most valuable asset owned by the municipality. Given that the average design lifespan of a road is in the order of 10 – 25 years and given that this can be drawn out to 30 – 50 years with adequate and timeous remedial and maintenance actions, it is clear from the above that the single biggest challenge with regards to the road network is to secure adequate funding from internal or external sources. This will be to reverse the deterioration of the current network and to enable the

municipality to embark on a realistic upgrading programme for the social and economic benefit of all residents and visitors.

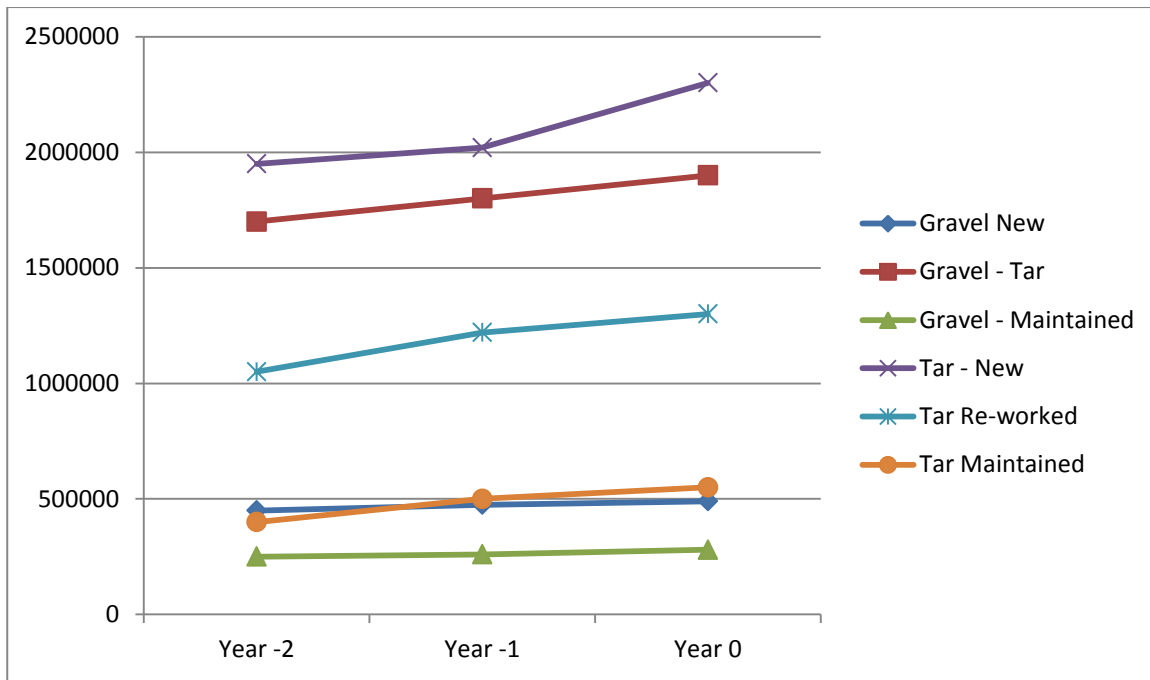
Recent periods of relatively heavy and sustained rainfall has impacted negatively on all road surfaces, mainly due to the poor or complete lack of stormwater drainage infrastructure. There has been a rapid deterioration in riding surfaces, as a result.

The municipality is also introduced a slurry sealing operation, where critical roads that always develops potholes are sealed to minimise the development of potholes on surfaced roads

Limited funding for roads rehabilitation and upgrading is a challenge for the municipality as the condition of our roads become worse as their life span is overdue.

Gravel Road Infrastructure (kilometres)				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar/ block paving	Gravel roads graded/maintained
Year -2				
Year -1	137,64	0	0	137,64
Year 0	138,14	0	9	54.4km

Tarred Road Infrastructure					
	Total tarred roads	New tarred roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
Year -2					
Year -1	148,76	0	0	0	148,76
Year 0	149,76	0	0	0	23.8 km



Road Service Policy Objectives Taken from the IDP									
Service objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
Service Indicators		Target	Actual	Target		Actual	Target	Target	
(i)		(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objectives : Community of Ndlambe has safe and efficient access to good quality roads, built according to applicable standards									
Elimination of gravel roads in townships	1 Kilometer of gravel road tarred	1,5 km gravel roads tarred	0 km gravel road tarred	1,5 km gravel road tarred	1 km gravel road tarred	1 km gravel road tarred			
Upgrading of municipal roads as required	0 kms of municipal roads developed	0,5 kms	0,5 kms	6 kms	5 kms	5 kms			
Compilation of Storm Water Master Plans for all towns	Approved Storm Water Master Plans	0	0	2	2	0			

Employees: Road Service					
	Year -1	Year 0			
Job Level	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	49	54	50	4	8%
4-6	15	15	15	0	
7-9	8	10	8	2	4%
10-12	7	7	7	0	
13-15	1	1	1	0	
16-18					
19-20					
Total	80	87	81	6	12%

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The priority of the four largest capital projects was determined by traffic volume and level of disrepair. Due to the unavailability of internal capital funds, grants were solicited through the Expanded Public Works Programme. This programme rewards effective service delivery and the intention is to expand this programme to each urban footprint, thereby creating a spread of job opportunities and skills enablement.

The year 5 targets set out in the IDP schedule cannot be attained within approved budget provision due to the scope of backlog and scale of need. To rectify the matter, grant funders need to be convinced that the pilot projects are best practice and are effective in the delivery of suitable road surfaces.

Should the above be deemed effective, the programme will be unbundled and enlarged to include all townships in Ndlambe, which would result in a huge variation to any total approved project value (arising from year 0 and/or previous year actuals, or expected future variations).

No provincial roads have been delegated to the Ndlambe Municipality.

3.5 WASTE WATER (STORMWATER DRAINAGE)

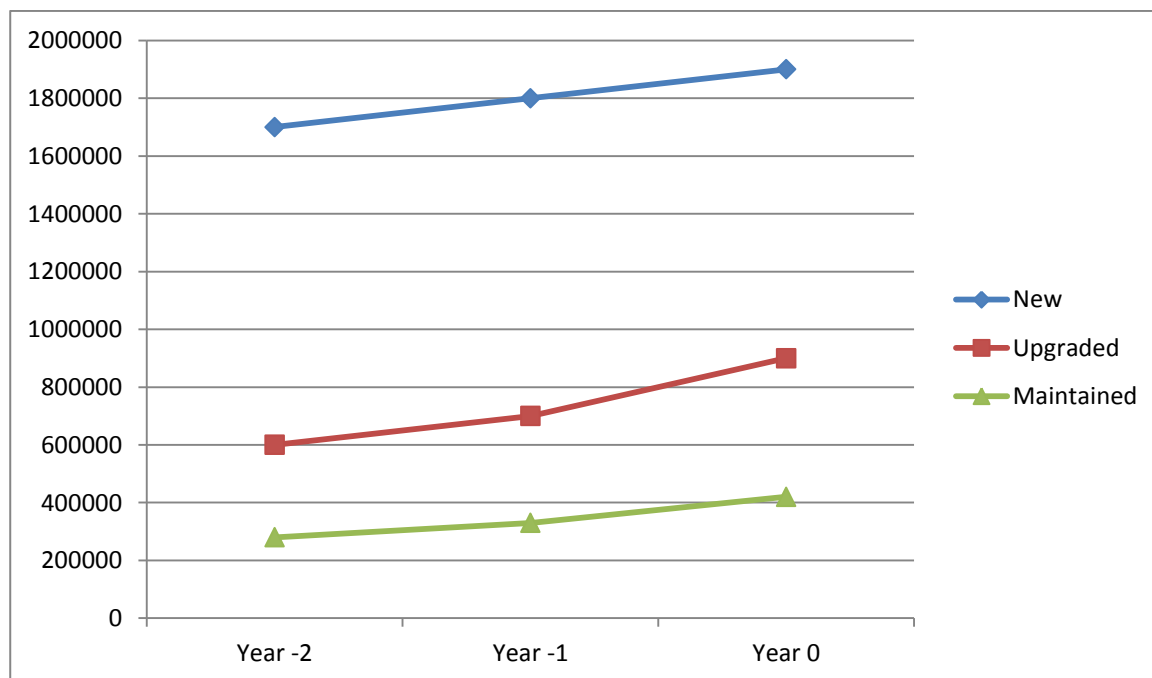
INTRODUCTION TO STORMWATER DRAINAGE

The floods which occurred in Oct of Year -1 highlighted the reality of how marginal and in places how completely absent storm water infrastructure is within the various urban footprints of Ndlambe Municipality. Township development practice did not always consider appropriate stormwater infrastructure, due to affordability and pressing need to house the homeless. This backlog is real and growing, due to the absence of funding required to address this situation. Existing infrastructure, especially underground reticulation, is mostly undersized or completely absent.

The municipality has a challenge of eroding gravel roads during heavy rains and stormwater pipes get blocked by the eroded material. The upgrading of these gravel roads will be a solution in order to control the stormwater with limited solids/ material to stormwater system, but again limited funding is a challenge to address this problem.

Stormwater Master Plans have been solicited and these will be prioritised and implemented as and when funding allows. These will be linked to dovetail with the planned road maintenance plan, as discussed previously.

Stormwater Infrastructure				
	Total Stormwater measures	New Stormwater measures	Stormwater measures upgrade	Stormwater measures maintained
Year -2				
Year -1	115,40	115,40	0	65,24
Year 0	125,56	125,56	10,16	75,17
Cost of construction / maintenance				
	Stormwater Measures			
	New	Upgraded	Maintained	
Year -2				
Year -1				
Year 0	Included in roads, above	Included in roads, above		1 341 510



Stormwater Policy Objectives Taken from the IDP									
Service objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
Service Indicators		Target	Actual	Target		Actual	Target	Target	
		*Previous year year (iii)		*Previous Year Year (v)	*Current Year (vi)		*Current year (viii)	*Current year (ix)	*Following year year (x)
(i)		(ii)		(iv)			(vii)		
Service Objectives : Community of Ndlambe has safe and efficient stormwater management, to minimise the risk of flooding and collateral damage.									
Development of fully integrated stormwater management systems including wetlands and natural water courses	Phasing in of systems	Strategy approval (Yes/No); Timescale x yrs	Strategy approval (Yes/No); Timescale x yrs	Strategy approval (Yes/No); Timescale x yrs	Strategy approval (Yes/No); Timescale x yrs	Strategy approval (Yes/No); Timescale x yrs	Strategy approval (Yes/No); Timescale x yrs	Completion (Yes/No); x yrs remaining	Completion (Yes/No); x yrs remaining

Employees: Stormwater Service					
	Year -1	Year 0			
Job Level	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	16	26	16	10	63%
4-6					
7-9					
10-12	1	1	1		
13-15					
16-18					
19-20					
Total	17	27	17	10	63%

Financial Performance Year 0: Stormwater Services (R'000)					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to budget
Total Operational Revenue	1 050 870	1 341 510		1 341 510	
Expenditure:	672 790	838 280		838 280	
Employees	60 000	63 000		63 000	
Repairs and Maintenance	318 080	440 230		440 230	
Other					
Total operational Expenditure	1 050 870	1 341 510		1 341 510	
Net Operational Expenditure					

COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:

Stormwater drainage performance does not achieve expectations due to various factors, which can be considered as follows :

Historically, town plans were developed by the respective Local Town Councils. These towns concentrated on developing the business areas as residential properties were seen as being holiday accommodation

- Sub-surface stormwater infrastructure is costly to install and was rarely considered in the urban development of communities within Ndlambe Municipality
- Former subsidised housing projects did not prioritise the establishment and implementation of stormwater systems and it is now with hindsight that this oversight is so glaring.
- Consecutive development has exacerbated the lack of stormwater drainage insufficiencies.
- Stormwater Master Plans were previously not considered within the urban development criteria.

3.6 FLEET MANAGEMENT

Municipal transport is provided strictly for official services only and is not to be used for private purposes. Council will provide transport to on-duty employees in accordance with its normal operational requirements, as well as in specific circumstances approved by the relevant director. The municipality has a shortage of fleet due to lack of internal capital budget. Furthermore, extended downtime of fleet when it is in the workshop is another hindrance to service delivery.

Fleet Management Policy Objectives Taken from the IDP									
Service objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
Service Indicators		Target	Actual	Target		Actual	Target	Target	
(i)		*Previous year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current year (viii)	*Current year (ix)	*Following year (x)
Service Objectives : Ensure an effective fleet management system, to include maintenance, refurbishment, procurement and disposal of fleet related resources owned, managed and maintained by the Ndlambe municipal workshop									
Ensure an effective fleet management system, to include maintenance, refurbishment, procurement and disposal of fleet related resources owned, managed and maintained by the Ndlambe municipal workshop						There is an effective fleet management in place. The policy has been updated and will go to council for adoption			

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development

INTRODUCTION TO PLANNING AND DEVELOPMENT

3.7 PLANNING

INTRODUCTION TO PLANNING

Planning strategy entails the undoing of the previously distorted settlement patterns that were cultivated by the past policy of separate development. The optimum utilisation of municipal infrastructure is encouraged by the densification of our cities. The ageing infrastructure has been a challenge in the densification and the high costs associated with the improvement of the infrastructure in the Consolidated Infrastructure Plan (CIP) and the densification of have their share in the challenges. The efficient and effective utilisation of available land is one of the plans. To that end Spatial Development Framework (SDF) was approved by the municipality on 8 March 2013. The SDF stands as a guide plan for all land use decisions. All unauthorised land uses are terminated by issuing of Section 40 notices.

The strategy in delivering Town Planning services is derived from and determined by the various Town Planning Scheme Regulations, municipal policies, guidelines and strategic plans such as the Spatial Development Framework, Environmental Management Framework (EMF), various legislation relating to land use management, etc.

The major role players are the Architects who draw building plans, residents with their day-to-day enquiries, Regional and Town Planners and Estate Agents. The State Departments also have a consistent interaction with the Town Planning Section. The Municipalities role is also stipulated in the duties and functions of the Local Authority as found in the Municipal Systems Act, Municipal Structures Act, SPLUMA and the Constitution. The Municipality also has a responsibility to conduct its affairs in accordance with the BATHO PELE Principles which can be translated as people first. The corollary of the above is the speedy processing of all the Land Use Planning Applications to avoid unnecessary and protracted litigation against the Municipality:

- To ensure the effective allocation of limited resources to a large pool of potential development interventions.
- To provide a formal and practical method of prioritising housing projects and obtaining political consensus for the implementation thereof
- To ensure more integrated development through bringing together the relevant cross-sectoral role players to co-ordinate their development interventions. Municipality, Department of Housing, NHBRC, Contractors, Councillors & the Community
- That the Communities are empowered to constructively engage with the Municipality in identifying and fulfilling their housing needs.
- To provide greater spatial linkages between the spatial development framework and the physical implementation of projects on the ground
- To ensure that there is a definite housing focus for the IDP

Employees: Planning Services					
	Year -1	Year 0			
Job Level	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	Nil	Nil	Nil	Nil	Nil
4-6	Nil	Nil	Nil	Nil	Nil
7-9	1	1	1	Nil	100%
10-12	Nil	Nil	Nil	Nil	Nil
13-15	1	1	Nil	1	0%
16-18	1	1	1	Nil	100
19-20	Nil	Nil	Nil	Nil	Nil
Total	3	3	2	1	

3.8 PROJECT MANAGEMENT UNIT

ROLES AND RESPONSIBILITIES PMU

Responsible for the implementation, monitoring, evaluation and reporting sequences of outcomes associated with programmes designed to accomplish key service delivery objectives with respect to town and spatial planning, and through the co-ordination of technical and administrative operations against departmental, statutory and audit guidelines in order to ensure that service delivery is strategically managed and maintained in accordance with laid legislated standards.

3.8.1 Municipal infrastructure Grant projects (PMU)

PROJECT PROGRESS REPORT

Allocations for the three year MTEF Cycle

No	Financial Year	Allocation	Remarks
1	2018/2019	R 26 809 000	Already committed
2	2019/2020	R 27 295 000	40% committed
3	2020/2021	R 28 645 000	Not yet committed

5Financial Year 17/18

NO	Project Description	Ward	Sector	Budget	People Employed	No of SMME'S	Status
1	Upgrading of Graveyard Road	9	Roads	R 2 200 000,00	12	0	The project was completed Successfully
2	Upgrading of Kom Street	3	Roads	R 2 600 000,00	11	1	The project was completed Successfully
3	Upgrading of Hoyi Street Phase 1	4	Roads	R 1 400 000,00	9	1	The project was completed Successfully
4	Upgrading of School Road in Klipfontein	3	Roads	R 1 400 000,00	12	1	The project was completed Successfully
5	Upgrading of Bathurst Road	5	Roads	R 2 200 000,00	18	1	The project was completed Successfully
6	Upgrading of Gladiola Road	5	Roads	R 2 200 000,00	11	1	The project was completed Successfully
7	Refurbishment of Internal Water Reticulation in Nolutkhanyo (Bathurst) Phase 1)	5	Water	R 18 000 006,00	9	6	90% Complete
8	Upgrading of Wentzel Park Sport Field: Building of Caretakers House	2	Sports field	R 269 610.00	5	1	The project was completed Successfully
9	Upgrading of Wentzel Park Sport Field: Building of Hall	2	Sports field	R 685 622.75	10	1	The project was completed Successfully
10	Upgrading of Wentzel Park Sport Field: Building of Boundary wall	2	Sports field	R 784 300.00	16	1	The project was completed Successfully
11	Upgrading of Wentzel Park Sport Field: Refurbishment of Existing Change room	2	Sports field	R 550 506.00	6	1	The project was completed Successfully
12	Upgrading of Wentzel Park Sport	2	Sports field	R 268 373.60	16	1	The project was completed Successfully

	Field: Refurbishment of Netball Court						
13	Upgrading of Wentzel Park Sport Field: Refurbishment of High mast lights and Electrification of Buildings	2	Sports field	R 273 658.00	4	1	The project was completed Successfully

Financial Year 18/19

NO	Project Description	Ward	Sector	Budget	People Employed	No of SMME'S	Status
1	Augmentation of the Alexandria Bulk Water Supply Phase 1	1&2	Water	R 22 868 550	None	0	Contractor has been appointed
2	Refurbishment of Internal Water Reticulation in Nolukhanyo (Bathurst) Phase 1)	5	Water	R 2 600 000.00	None	0	Construction

List of proposed projects for 2019/2020 financial year

No	PROJECT NAME	WARD	Sector	TOTAL PROJECT COST	BUDGET
1	Augmentation of the Alexandria Bulk Water Supply Phase 2	1&2	Water	R 33 000 000	R 11 131 450,00
2	Upgrading of Internal Bulk Sewer reticulation Line in Thornhill Phase 1	6	Sanitation	R 25 594 514.00	R 8 798 800,00
3	Upgrading of Internal Bulk water Reticulation in Thornhill Phase 1	6	Water	R 23 000 000.00	R 6 000 000,00
5% PMU	N/A	N/A	N/A	R 1 364 750,00	R 1 364 750,00
	Total Allocation				R 27 295 000,00

List of proposed projects for 2020/2021 financial year

NO	PROJECT NAME	WARD	SECTOR	TOTAL PROJECT COST	BUDGET
1	Upgrading of Bulk Sewer Reticulation in Kenton On Sea phase 1	4	Sanitation	R 21 624 550.00	R 12 098 214,00
2	Upgrading of Internal Bulk Sewerage Line in Thorn hill phase 2	6	Sanitation	R 21 624 550.00	R 12 072 336,00
3	Upgrading of Internal Bulk water Reticulation in Thornhill Phase 2	6	Water	R 21 624 550.00	R 3 038 400,00
	5% PMU			R 1 432 050,00	R 1 432 050,00
	<u>Total Allocation</u>				R 28 645 000,00

3.9 LOCAL ECONOMIC DEVELOPMENT (KPA 3)

Local Economic Development (LED) has been identified as a key means of improving the economic prospects of South African citizens. The purpose of LED is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation.

Ndlambe Municipality is land locked between four Municipalities namely Nelson Mandela Metro, Makana, Ngqushwa and Buffalo City Metro. Ndlambe Local Municipality is a predominantly rural area with agriculture and tourism dominating the economy. It encompasses the towns of Kenton-on-Sea, Boknes, Bathurst, Boesmansriviermond, Alexandria and Cannon Rocks.

The recently released population statistics by Stats SA indicates that Ndlambe has a population of 61 176 out of which youth unemployment is generally high especially in the townships. Unemployment is at 30.3% as per 2011 statistics. The Key economic sectors for the Ndlambe Municipal area are:

- Tourism
- Agriculture
- Services sector

The employment within Ndlambe is largely spread across the following economic sectors: government, agriculture and services industry. Government and the agricultural Industry has for quite some time been the contributors in employment. Agriculture is less diversified with key farming activities being Dairy Farming, Beef Farming, Chicory, and Pineapple Farming. Most of the farming activities within the area are pursued by white farmers with black communities being the mere providers of labour.

The Agricultural industry has in the past 10 years been in a state of decline the chicory industry has been the hardest hit with many farmers either shutting down operations or switching over to other commodities like beef farming. The decline in any of the key sectors always has a direct negative impact in the townships in terms of jobs losses and employment. Government has for the past few years started land acquisition initiatives by buying farms to settle groups of farmers or communities to take over some of the white owned farms. The land acquisitions through the Land Reform Programme have not been a great success, in many instances farms bought on behalf of communities and or farming groups started declining thus shedding more jobs with declining productivity. Government owned land and that owned by the municipality e.g. commonages is hardly commercialised or used productively to benefit local communities in a sustainable manner.

As part of a strategy to revive the contribution of the agricultural sector in the local economy, the municipality issued a call for proposals inviting service providers to tender for doing a land audit of state farm land within the municipality, propose strategies for scaling up production and alternative land use. The municipality further requested service providers to profile current performance of land reform farms and determine if there is scope for expansion, increased productivity, and value addition for maximum job creation opportunities.

COMMENT ON LOCAL JOB OPPORTUNITIES:

Port Alfred is the most sought-after holiday destination on Route 72 and is known for its wonderful temperate climate, endless pristine beaches, friendly village atmosphere, glorious surf, magnificent deep sea and river fishing and the laid-back lifestyle so beloved by all visitors, many of whom become permanent residents.

Alexandria is home to various heritage and tourism sites amongst them being the" Chungwa's Grave that lies in an area known as the Woody Cape, the Nongqawuse's Grave at the Fick's Farm Holding. It is also famous for its chicory farming industry and has been branded as the "Chicory Country" while Bathurst brings together the past and the present, being the hub of one of the largest pineapple growing areas in South Africa. It is host to what is believed to be the oldest Inn in South Africa, as well as the third oldest pub in South Africa. It is accepted that the natural environment provides the basis for the regional economy, especially the primary agriculture and tourism sectors.

Kenton on Sea, is a small coastal town on the Sunshine Coast. It is situated between the Bushman's River and the Kariega River. The area has many pristine beaches and green rolling hills, and a nature reserve along the shore ensures that no housing developments can spoil the coast.

Cannon Rocks is a village nestled in between the Boknes Village and the boundary of the Greater Addo Elephant Park it has the vast expanse of the warm Indian Ocean in front and rolling farmlands behind, making Cannon Rocks a small piece of paradise.

Livestock Farming

The livestock farmers in the Ndlambe Municipal area consist of a large number of small scale farmers who farms with very small herds of cattle, sheep and goats. At present the larger part of these farmers, who farms with cattle, only marketed their animals at an older age as C grade carcasses. The small size of the herds in this area is a contributing factor to this scenario. Farmers try to keep their cattle as long as possible before they market it so that the number of animals, and thus the size of their wealth, can stay as large as possible. The slow capital return from cattle marketed as C grades creates cash flow problems for the black farmers in partnership.

The majority of the black livestock farmers farm with Nguni cattle. The land reform farms are not optimally stocked at the moment. The main marketing constraints faced by smallholder farmers in Ndlambe includes the poor condition of the livestock, the lack of marketing information, the unwillingness and inability to adopt livestock identification practices, the lack of infrastructure and poor production and marketing management.

Very little value-adding and processing of the product is taking place within the Eastern Cape. Although the Eastern Cape has registered abattoirs to slaughter cattle, most cattle leave the province as weaner calves for feedlots in other provinces where they are marketed. One of the main reasons is that it is more efficient to take store animals to the source of feed to be fattened than to transport the feed. The current production of feed for livestock is entered in the North West, Free State and Mpumalanga provinces where maize and soybeans are traditionally produced. The Eastern Cape currently imports 120,000 tons of feed for the livestock industry and would use more were it not for the high transport cost.

Another important phenomenon is that the abattoirs in the Eastern Cape, situated mainly in Nelson Mandela Bay, East London, Queenstown, Mthatha and Kokstad are generally running below their slaughter capacity. These abattoirs are dependent on animals that are brought to acceptable condition mainly during the summer on natural grazing. Apart from on farm fattening by commercial farmers, the communal and smallholder livestock owners are not in a position to round their animals off for marketing purposes. This in turn results in low off-take as well as poor prices being realized. The natural grazing in the communal areas thus becomes grossly overgrazed with low levels of income generated are by the resource.

However, beef cattle farming in the Ndlambe Municipal area have great potential that needs to be developed. Any interventions done should seek to change the picture in favour of black farmers be it those farming in commonages or in land reform farms.

There is a huge need to commercialise livestock farming in Commonages. If this is done there is an opportunity to create community wealth and more jobs.

Dairy Farming

The Dairy Industry is relatively stable with a positive cash flow, a concerted effort needs to be made to promote partnerships between established and emerging dairy farmers. Such a strategy will secure the long term sustainability of the industry. The Dairy Industry is highly mechanised and therefore not a massive job creator. It is a profitable venture to the few involved in it. Focus should be on improving productivity on existing farms through beefing up management capacity especially on the Land Reform Farms and those going under. Partnerships based on milk sharing or equity schemes are the most pragmatic option for making the black/community owned Dairy Farms to be functional and productive.

Pineapple Production

The main producing areas of pineapples in South Africa are Northern KwaZulu Natal (Hluhluwe district) and the Eastern Cape. The Eastern Cape generally account for over three quarters of the pineapples produced in South Africa. As pineapples are indigenous to the tropics, the crop requires areas where the climate is warm, humid and free from extreme temperatures (25°C being optimal).

In determining which pineapple cultivar to plant, a producer should take the following into consideration:

- The global demand and the demand in specific markets.
- His or her (the producer's) current infrastructure in respect of being able to cope with pruning, spraying, picking, cold storage and packing of a particular cultivar.
- The availability of natural resources like water, soil types, cold units and slopes.
- The land should be prepared so as to control water runoff and thereby limit soil erosion, facilitate good drainage and prevent root and heart rot, facilitate uniform distribution of sunlight to all plants, and have roads allowing machinery easy access to the pineapple plants to expedite spraying and harvesting.

Pineapple production has been declining over the past five years. Production declined by 6% during the 2009/10 season when compared with the 2008/09 volume. The decrease in production has previously been associated with the cadmium contaminated zinc sulphate fertilizer that was used by the pineapple producers. A multi-national fertilizer distributor operating in the Eastern Cape Province sourced low cost zinc sulphate from China. This zinc sulphate contained high concentrations of cadmium and lead. The resulting effect on crops dosed with these fertilizers was contaminated fruit which has damaged the reputation for South African fruit globally. The continuous decline may be an indication that the industry is still struggling to pull itself out of the crisis. Ndlambe municipal area has been hardest hit by the impact of this catastrophe in the Pineapple industry.

Chicory Production

Chicory in South Africa is exclusively produced and processed in the Eastern Cape, Alexandria since 1895. This is an established industry which used to have 100 Chicory commercial farmers each employing 40 workers thus translating to 4000 jobs created at farm operation level. The central processing plant used to create 130 permanent jobs. 95% of roasted Chicory produced by the Industry supplies two major roasted Chicory users namely Nestle for Ricoffy and National Brands Limited for Frisco, Koffiehuis, Ace and Kloof etc.

The CHICORY industry has been given a massive financial and economic boost when it received a R2 million grant from the Department of Rural Development & Agrarian Reform to revitalise the local chicory production. The department, in collaboration with reputable and JSE listed giant Nestle' South Africa, signed a Memorandum of Understanding with local farmers to ensure production of chicory in Ndlambe that will meet the supply demand by Nestle' for products produced using locally produced chicory. The government has heard the farmers' outcry for the revitalisation of the local chicory industry and has implemented a long-term solution that will not only revitalise the industry but recreate various jobs lost in the closing down of the chicory industry in Ndlambe.

Developments in the Hospitality Industry

Royal St. Andrews Hotel

People come to Port Alfred for the sunshine, the clear blue Indian Ocean lapping onto its Blue Flag beach, adventures on the Kowie River, its unique boutique shops and artisan brewery, its people and to simply relax.

The hotel has a total of 60 rooms which are designed, equipped and furnished to add a new luxury dimension to the Sunshine Coast experience. 50 modern luxurious rooms, as well as conference facilities, have been skilfully crafted to complement the old-world charm of the much-loved original hotel, which was built in 1924. Located in Port Alfred, South Africa, the Royal St. Andrews Hotel has re-opened after an extensive 3 year renovation.

Royal St. Andrews Hotel is the perfect destination for avid golfers as the hotel is situated within walking distance of the Royal Port Alfred Golf Club, one of the oldest and well known golf courses in South Africa. In addition the Gary Player designed Fish River Sun Country Club, and the new Belmont Valley Country Club are within a 45 minute drive.

Cannon Rock Beach Suites

Cannon Rocks Beach Suites are newly developed Self Catering Units on the beach in Cannon Rocks, 15 minutes from Kenton on Sea. These are fully fitted accommodation units.

Each unit has a one or two bedrooms and a fully kitted kitchen, cutlery and crockery and top of the shelf electric appliances. Guests can relax in the living room or outside on the patio with a built in braai, dining table and outdoor shower. Fully equipped Conference Facility with a projector, screen and all the necessities for a successful corporate or social function are available on request. The Conference facility can accommodate 60-100 people depending on the seating plan.

Operation Phakisa

The Provincial Department of Public Works invited all District Municipalities and Local Municipalities who have coastal towns to participate in the Property Marketing Event held on the 27 - 28 June 2018. This marketing event was directed to all the Districts and Local Municipalities which have coastal towns and properties that could be developed to attract economic development and tourism in their towns.

The theme of the conference was “Attracting Investment in State Coastal Maritime Infrastructure and Properties, Expand Current Businesses and Create New Businesses, Create Employment Opportunities, Generate Revenue for the Municipalities, Stimulate Economic Growth and Ensure Economic Transformation”

The engagement with the province and coastal municipalities also sought to highlight the context of:

- Operation Phakisa:
- Oceans Economy:
- Small Harbours and State Coastal Property Development

The primary focus and objectives of the two day engagement was:

- To coordinate and integrate sector Department plans in Small Harbours in line with Operation Phakisa: Oceans Economy;
- Develop a Marine infrastructure development and maintenance Plan;
- Provide guidance in Property management including letting out;
- Develop a strategy to stimulate local economic development;
- To encourage job creation and SMME empowerment;
- To develop a revenue generation strategies
- To ensure radical socio-economic transformation.

From the Sarah Baartman District, four (4) coastal local municipalities were invited to present their investment plans and exhibit at the conference. These municipalities are: Koukamma, Kouga, Sundays River Valley and Ndlambe.

Koukamma and Sundays River Valley indicated that they were not ready to make a presentation and host an exhibition stand, however both Kouga and Ndlambe came prepared and made exceptional presentations, as confirmed by the District and various stakeholders that attended the Summit.

Building Inclusive Green Municipalities (BIGM)

On the 25th May 2017, South African Local Government Association (SALGA) in partnership with the Federation of Canadian Municipalities (FCM) invited representatives from six (6) identified municipalities in the Eastern Cape to participate in the preparatory meeting for the Building Inclusive Green Municipalities (BIGM) programme.

The BIGM programme aims at improving the capacity of South African government to support effective service delivery, inclusive local green economic growth, asset management policies and practices and enhanced climate change mitigation and adaptation measures.

The programme is implemented over a period of 52 months on the municipalities that have been identified as beneficiaries in the Eastern Cape Province. The programme is focusing on three areas being:

- Climate change adaptation and mitigation
- Asset Management policies and practices
- Local Economic Development

On the 29th June 2017, a delegation from both SALGA and FCM visited Ndlambe and presented the streams that the programme focuses on. The municipality is expected to choose one area of focus on the three areas presented.

The BIGM programme also regards the participation of vulnerable groups quite important within the programme and has requested that in the following meeting, women, young people and people with disabilities be invited, also the business formations available within the municipality.

Jobs created during Year 0 by LED initiatives (Excluding EPWP projects)				
Total jobs created / Top 3 initiatives	Jobs Created No.	Jobs lost / displaced by other initiatives No.	Net total jobs created in year No.	Method of validating jobs created / lost
Total (all initiatives)	9 initiatives			
Year -2	47	0		Type of entity
Year -1	33	(pineapple and chicory industries faced challenges)		Type of entity
Year 0	44	N/A		

Job Creation through EPWP projects		
Details	EPWP Projects No.	Jobs created through EPWP projects No.
Year -1	3	91
Year 0		
Employees: Local Economic Development Service		
	Year -1	Year 0

Job Level	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
7-9	1	1	1	0	0%
10-12	1	3	0	3	100%
13-15	1	1	1	0	0%
Total	3	5	2	3	60%

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

Ndlambe Municipality has a huge scope to increase and intensify cattle farming and goat farming as key focal farming enterprises to emerging farmers and commercial farmers.

Livestock farming based on commonages has to be commercialised and township based farmers have to be taken through a commercialisation path through a massive campaign, technical support, training and design of a programmes to support black farmers towards commercialisation of livestock farming out of the townships. Focus should be on improving productivity on existing farms through beefing up management capacity especially on the land reform farms and those going under.

Partnerships based on milk sharing or equity schemes is the most pragmatic option for making the black/community owned dairy farms to be functional and productive. The Dairy industry is relatively stable and cash flow positive, a concerted effort needs to be made to promote partnerships between established and emerging dairy farmers. Such a strategy will secure the long term sustainability of the industry. Unfortunately the Dairy industry is highly mechanised and therefore not a massive job creator. It is a profitable venture to the few involved in it.

The LED Forum was launched by the Deputy Minister of Economic Development Department, Honourable Mr Madala Masuku, honouring up what he had committed to during the LED Conference in Alexandria.

5 Cooperatives have been assisted for funding, machinery and equipment, these are mainly from Alexandria.

Project Name	Funding Agent
LLP Multi purpose	NYDA
Siphilise Ndlambe	Department of Agriculture Department of Rural Development
Jonga Cooperative	Department of Agriculture
Ex Offernders	NYDA
Siphamandla	NYDA

Ndlambe LED Unit through proposal submitted to the National Department of Tourism (NDT) received funding amounting to 10 million for Ndlambe Tourism Infrastructure. They have also appointed an Implementer for the project; Eastern Cape Tourism Agency (ECPTA) will be the project implementer.

COMPONENT D: COMMUNITY AND SOCIAL SERVICES

INTRODUCTION TO LIBRARIES; ARCHIVES; COMMUNITY

Ndlambe Libraries are gradually progressing in terms of services and diversity of patrons, as we are in the process of launching a Mini-Lib which serves blind and partially blind patrons. The Libraries in Ndlambe Municipality have taken the role of promoting education by supporting schools improve their matric pass rate as they provide catering and transport for extra classes on Saturdays.

Library services have improved immensely as there are more newspapers offered than before, for example the libraries now have Sunday Times and City Press due to community request. Services also include Tablets in addition to computer; there is also Wifi available in libraries. This demonstrates improved technological progression in Ndlambe Libraries.

CIRCULATION OF LIBRARY MATERIALS

All Functional eight Ndlambe Municipal Libraries have migrated to Brocade Library System and some are still transferring their members and books that were on the manual system onto the Brocade Library System. Statistics for the Ndlambe Libraries for the whole year are as follows:

LIBRARIES	CIRCULATION	BOOK BLOCK LOAN
ALEXANDRIA	3932	Alexandria Christian Academy Day Care and Grade R
BUSHMANS	3544	Nompucuko Combined School
KENTON	8664	Kenton Primary School
EKUPHUMLENI	2527	
PORT ALFRED	11415	Port Alfred Social Welfare Freestone Library (Book Wagon)
BATHURST	2564	
FREESTONE	3124	Sizamele Educare Centre, Qhayiya Primary School and Port Alfred Library (Book Wagon)
DR. I. K. MABINDISA	3083	Alpha Lee Aftercare, Nonkqubela Community Project Port Alfred Library (Book Wagon)

LIBRARY STRUCTURES

Library Structures in the form of Book Clubs of any age and Library Committees are part of Ndlambe Municipal Libraries so that the community can be part of the needs analysis of the Libraries' services.

Julian Mike who is a Library Committee Member in Marselle Library represents Ndlambe Municipality in the Sarah Baartman District Committee and reports back to the municipality through Marselle Library.

LEARNER SUPPORT PROGRAM

Apart from the Saturday Classes that the Municipality initiated as school intervention program for improved matric passing rate, Ndlambe employed Ms Ncanywa as a Learner Support Assistant who specialises in teaching Nompucuko's Grade 11 and 12 learners in Mathematics and Physical Science.

SCHOOL INTERVENTION PROGRAM

As stated in the introduction, these are extra classes provided by the Municipality on weekends to improve the matric pass rate of Ndlambe Municipality. This initiative involved an agreement between the Municipality and the Nelson Mandela University where Third Year Level student tutor Ndlambe Municipal learner with subjects that need upgrading.

AWARENESS PROGRAMS

One way of Library Promotion and Marketing is through awareness programs or events where Ndlambe Municipal Library take services to the communities through outreach programs.

Outreach Programs include the following:

- South African Library Week: Celebrated in March of every year
- World Book Day: Celebrated in April of every year
- World Play Day: Celebrated in May
- Career Day: done in May
- Mandela Day: July
- Holiday Programs: During School Recess
- National Book Week: Celebrated in September
- Spelling Bee: Celebrated in October
- Youth Empowerment Event: Celebrated in December
- World Aids Day Event: Celebrated in December

The above Outreach programs exclude the individual awareness programs performed in Libraries separately.

REGISTRY & ARCHIVES SECTION

PAIA Manual

The Promotion of Access to Information Act Manual was drafted by the Directorate and submitted to the South African Human Rights Commission as per laid procedure and awaited. After received from the South African Human Rights Commission the manual will be submitted to Council for final approval.

Records Management Policy and Manual

A Records Management Policy was drafted and submitted to Department of Sport, Recreation, Arts and Culture for their comments and input. Thereafter it will be submitted to Council for final approval.

File Plan

Amendments and additions to the File Plan have been submitted to the Provincial Archivist, Department of Sport, Recreation, Arts and Culture for rectification and approval.

Implementation of Records Management Classification System

Once adopted by Council, the implementation hereof would comply with the renewal of the Records Management Classification System. These documents conform to all standards and guidelines as laid down by the Provincial Archives and Records Management Services Act.

Eliminate paper based documentation and records through Implementation of e-government

The Integrated Municipal Information System (IMIS) is an electronic version of paper based documents. The Ndlambe Municipality entered into a Service Level Agreement with TGIS for a three year period which expires on 31 August 2018. Discussions regarding the renewal of the SLA are in process.

The IMIS system:

- Manage all aspects of a municipality in one system;

- Easy access to the right information;
- Full audit trail;
- Full access control;
- Process automation allows low skilled user to be guided through process to ensure accuracy;
- Communication barriers broken down.

IMIS Modules in use:

TGIS contracted 12 modules of the IMIS System with Ndlambe Municipality, namely:

Module		Sub Module	Description
IMIS (Integrator)	X	Security	Access Control
	X	Administration	IMIS Administration
	X	Basic Workflow	Messages, Tasks, Contacts
	X	Venue Management	Management of municipal venues
		Fax & E-mail integration	Common front-end for workflow, e-mails and faxing
IMIS-Build	X	Building Control	Building Plan register & application
IMIS-Business	X	Meetings Management	Agenda and Resolution Management
	X	Contract Management	Contract Management
		Supply Chain	Supply Chain Management
IMIS-Customer	X	Customer Care	Complaints Management
IMIS-Doc	X	Document Management	Document Process Management
	X	Records Management	Records Control
		Content Management	Document Information Portal
		Web Content Display	Accessing document on the Web
IMIS-Fin		Financial System Linking	Link Financial info with GIS
IMIS-Hr	X	Personnel	Organogram
	X	IMIS Performance	Performance Management on IMIS Modules
		Leave Management	Leave Application
IMIS-Projects		IDP Planning	IDP Planning Tool
		Project Management	Project Definition and Monitoring
		Time Management	Personnel Time Booking
IMIS-Infra		Roads	Roads-Applications, Inventory and Assessment
		Water	Water-Applications, Inventory and Assessment
		Sewer	Sewer-Applications, Inventory and Assessment
		Electricity	Electricity-Applications, Inventory and Assessment
IMIS-Land	X	Land Management	Land and Ownership Identification
	X	Estates	Municipal Fixed property register
	X	Town Planning	Town Planning applications and Zoning
		Valuations	Property Valuations
IMIS-Social	X	Cemeteries	Cemetery Control and Register
		Housing	Waiting List Management
	X	Demographics	Stats SA Census Data
	X	Demarcation	Demarcation Data
		Disaster	Disaster Management
		Health	Health Inspections
	X	Heritage	Heritage Sites

3.11 CEMETERIES AND CREMATORIUMS

INTRODUCTION TO CEMETERIES

This service falls under Parks and Recreation Section. The municipality is currently under pressure due to unavailability of land for cemeteries. In terms of the revised SDF there is a need to identify new cemeteries but this will require environmental impact assessments and identification of land. All cemeteries throughout the municipality are cleaned on a regular basis as and when required. The cemeteries are reaching capacity and once the land disposal policy process is completed land needs to be identified for cemetery space and the necessary EIA and legislative requirements be followed. The municipality does not have its own crematorium facility and as such individuals utilise the services of funeral parlours.

COMMENT ON THE PERFORMANCE OF CEMETERIES & CREMATORIUMS OVERALL:

There is no staff specifically employed for "Cemeteries" – these employees fall under "Parks & Recreation";

- There are no posts in the Organogram allocated for "Cemeteries";*
- There has been no capital budget for Cemeteries and Crematoria during the 2016/2017 financial year*

GREATER AREA	COMMUNITY	WARD	Nr of CEMETERIES
Greater Alexandria	Town of Alexandria	1	1
	KwaNonkqubela	1	1
	Wentzel Park	2	1
Boknes / Canon Rocks	Boknes / Cannon Rocks	2	0
Kenton / Bushmans River	Marselle	3	1
	Town of Bushmans river	3	1
	Town of Kenton on Sea	4	1
	Ekhuphumleni	4	2
Greater Bathurst	Bathurst (Main rd)	5	1
	Nolukhanyo	5	1
Greater Port Alfred	Town of Port Alfred	10	2
	Nemato	8	4
	Station Hill	6	1
Seafield / Kleinemonde	Seafield / Kleinemonde	6	0
TOTAL			<u>18</u>

3.12 REFUSE REMOVAL NDLAMBE MUNICIPALITY – 2017/2018

16 061 HOUSEHOLDS PER WEEK SERVICED THROUGHOUT NDLAMBE

GREATER AREA	COMMUNITY	WARD	Nr of HOUSEHOLDS
Greater Port Alfred			
Monday	Town of Port Alfred	10	872
Tuesday	Nemato	7-9	709
	East Bank / Bottom West	10	861
Wednesday	Saltvlei / Station Hill	10, 6	1119
	Nemato	7-9	695
Thursday	Ndlovini	7-9	1595
	Thornhill	6	500
Thursday / Friday	Businesses in PA	10	*
TOTAL			<u>6351</u>
GREATER AREA	COMMUNITY	WARD	Nr of HOUSEHOLDS
Greater Alexandria	Town of Alexandria	1	273
	KwaNonquela	1	1987
	Wentzel Park	2	736
Boknes / Cannon Rocks	Boknes	2	350
	Cannon Rocks	2	250
Greater Bathurst	Town of Bathurst	5	205*
	Nolukhanyo	5	856
	Freestone	5	918
Seafeld / Kleinemonde	Seafeld / Kleinemonde	6	235
TOTAL			<u>5810</u>

GREATER AREA	COMMUNITY	WARD	Nr of HOUSEHOLDS
Bushman's River Mouth			
Mondays	Riversbend / Harmony Park	3	487
Tuesday	Old Bushmans (Town)	3	254
Wednesday	Half Marselle / River Rd	3	581
Thursday	Rest of Marselle	3	750
Friday	Businesses, Bins & Beach	3	35
Kenton-on-Sea			
Mondays	Kenton Businesses	4	36
Mondays	Kenton Town	4	146
Tuesday	Kenton Residence	4	387
Wednesday	Kenton Residence	4	375
Thursday	Ekuphumleni	4	920
Friday	Businesses, Bins & Beach	4	36
TOTAL			<u>3900</u>

COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and coastal protection.

3.13 POLLUTION CONTROL

- There is no staff employed for pollution control – the Environmental Health Practitioners are carrying out this function;
- There are no posts in the Organogram specifically for pollution control;
- There is no budget allocated specifically for pollution control.

3.14 BIO-DIVERSITY AND LANDSCAPE

ENVIRONMENTAL CONSERVATION

OUR MISSION

“Protection, Preservation and Sustainable Utilization of fauna, flora and our natural resources to benefit present and future generations”

KEY PERFORMANCE AREAS

- Blue Flag beach Management
- Beach Front and Infrastructure Management.
- Nature Reserve Management
- Environmental Education
- Environmental Compliance (Marine; Estuaries; Terrestrial)

BLUE FLAG BEACH MANAGEMENT

- Kariega Main Beach
- Kelly’s Beach
- Middle Beach K.O.S

STAFF

- Conservation Officer’s portfolio covers Blue Flag beaches; Beaches; local and private Nature Reserves, Public open spaces, commonages, rate payers in town and on farms complaints and queries.
- One permanent staff member in that of a Blue Flag beach attendant and one permanent staff member working every alternative weekend and public holidays at Kelly’s beach.
- Assistance from Working for the Coast with Ndlambe’s Blue Flag beaches.
 - Western side –Kariega and Middle
 - Port Alfred - Kelly’s beach
- Appointed 7 contractual lifeguards, 3 +(1) x Kelly’s Beach and 3 x Kariega Main Beach. (01 December 2017 – 1 May 2018)
- Appointed 17 short term lifeguards 2 of which left after a few days from boknes and 6 of which only started on the (18th Dec 2017 – 2 Jan 2018), 3 x Kleinemonde; 3 x Boknesstrand; 3 x East beach; 3 Fishriver and 3 Bushmans slipway (1 Dec 17 – 2 Jan 18)
- No lifeguards were to be placed at Cannon Rocks.
- West Beach was manned by 8 casuals beach marshals over December (1 Dec – 2 Jan 2018)
- No lifeguards were appointed over Easter weekend except for the blue flags where 4 at Kelly’s beach and 3 at Kariega where present.
- 17 Beach buddies casuals were given the chance to be employed over the December period at Kariega and Middle beach KOS where only 13 arrived. (15th Dec – 2 Jan)

BLUE FLAG STATUS BEACHES

- Ndlambe municipality applied for two full status beaches namely that of Kelly’s Blue Flag Beach (13th season in a row), Kariega Main Beach (9th season in a row), and Middle beach (5th season).
- At the National launch Ndlambe received two Blue Flags, namely that of Kelly’s Beach (Ward 10), Kariega Main Beach and a Pilot beach, Middle Beach (Ward 4).
- The Blue Flag season for the past financial year started on 1 December 2017 and ran up until 01 May 2018 for Kelly’s and Kariega beaches. KOS middle beach ran from the 5 December 2017 – 4 January 2018.
- During this period 1 unannounced visit were carried out by a Blue Flag South Africa Inspector.

- Applications for season 2018 2019 have been submitted in May 2018 to WESSA and National Jury sat on the 12th of June 2018 for evaluation. The results will be known on the 12th October 2018 at the launch.

Contractual / Casual staff:

1. WFTC and Casual at Kelly's Beach
2. WFTC at Kariega Beach – 1 supervisor and 4-5 workers. Covering Blue Flag period 1 Dec 2017 – 02 Jan 2018
3. WFTC and Casuals at Middle Beach – Covering Blue Flag period 1 Dec 2017 – 2 Jan 2018
4. Beach buddies x 15 and 2 from middle beach at Kariega Beach which some resigned to leave me with 13 people total. Period 15 Dec 2017 – 02 Jan 2018.
5. Casual Beach Marshall x 8 at West Beach. Period 15 December 2016 – 2 Jan 2017.
6. Casual at Fish river camp site x 8 for a period of 15 Dec 2017 to 2 Jan 2018
7. Casuals at little beach x 2 in Jan 2018
8. Blue Flag Beach stewards Project appointed through WESSA funded buy DEDEAT, as an EPWP initiative. Beneficiaries are from the local community, 3 Kleinemonde, 4 Kelly's beach, 4 Kariega beach and lastly 3 Middle beach KOS, all employed and supervised by Conservationist at each of the beaches.

The casuals over the festive season remain to be a problem with regards to attendance and sober habits.

- We ensured the Blue Flag area remained clean over festive period
- Also cleaned daily the beach area from Kariega to slipway along river, Eastbourne road from Kariega to slipway as well as roads leading off, up Kariega road to R72
- The casuals and permanent staff worked according to a pre-season plan were team came in through the night to maintain cleanliness
- We were able to put the Blue Flag up on time every day

Lifeguards on Blue Flag Beaches, pilots and slipways:

- Three (3)+(1) Lifeguards per Blue Flag Beach were appointed on a contractual basis from 1 December 2017 up until 1 May 2018 at Kelly's and Kariega beaches. An additional Lifeguard was appointed at Kellys beach from (02 March 2018 – 1 may 2018)
- Two (3) Lifeguards were appointed on a contractual basis from 1 December 2017 up until 2 Jan 2018 at Kleinemonde.
- Three (3) Lifeguards were appointed on a contractual basis from 1 December 2017 up until 2 Jan 2018 at Boknesstrand pilot.
- Three (3) Lifeguards were appointed on a contractual basis from 18 December 2017 up until 2 Jan 2018 at Bushmans slipway beach.
- Three (3) Lifeguards were appointed on a contractual basis from 1 December 2017 up until 2 Jan 2018 at Port Alfred East beach
- Three (3) Lifeguards were appointed on a contractual basis from 18 December 2017 up until 2 Jan 2018 at Fish River beach

RESCUES LIFEGUARDS

	BOKNES	KLEINEMONDE	KELLY'S	KARIEGA	EAST
Drownings/Near Drownings	0	0	0	1	0
Helpouts/RTB	8	2	12	19	11
Board/ski	0	0	0	0	0
Boat/IRB	0	0	0	0	0
Resuscitation	0	0	0	0	0

FIRST AID

	BOKNES	KLEINEMONDE	KELLY'S	KARIEGA	EAST
Cuts and Abrasions	0	0	0	0	4
Sprains/fractures	0	0	0	0	1
Stings	15	8	25	32	6
Sunburn	0	0	0	0	0
Hospitalised	0	0	0	0	0

Drownings/Near drowning

There was 2 drownings on our beaches this year, one was at Little beach Port Alfred and the other in the Kariega estuary.

Rescues/Help outs

A number of rescues and help outs were done this year with torpedo buoys. This was partly due to some freak strong currents at the beaches but mostly due to alcohol and negligence of parents. Drinking at/on beaches is becoming a huge concern and stricter enforcement of the law is needed. It also becomes a safety risk for the lifeguards and municipal Officials when dealing with a drunk person in these situations and their lives are also at risk.

First Aid

There were quite a few bluebottle stings treated in the season when a predominantly easterly wind was blowing.

NATURE RESERVE MANAGEMENT

STAFF

- Conservation Officer
- 3 rangers and one lodge attendant that are permanent staff members in the reserve section.
- 1 ranger is paralyzed from waist down and is in a wheel chair. He is at work and has given him more of the admin duties as well as to run the nursery. Staff member has been booked off work from Nov 2017 to Aug 2018

RESERVE MANAGEMENT

- Local Authority reserves under Management of the Conservationist are namely :
 - Joan Muirhead Nature reserve
 - Kap River Nature Reserve
 - Great Fish River Wetland Reserve
 - Roundhill Oribi Reserve Nature reserve
- A monthly duty Plan was compiled for the Nature Reserves namely:
 - Kap River reserve
 - Roundhill Oribi Reserve
- Other two Reserves are not manned, however there are local communities that are in the area that keep an eye on any suspicious behavior and report to conservationist for further investigation, namely:
 - Great Fish River Wetland Reserve
 - Joan Muirhead Nature reserve
- Due to fencing on Roundhill, the conservationist had to eradicate several animals that came into the reserve from neighboring farms. The fencing on the reserves is in a bad state and will need to be replaced in the new fin year.
- The water level in the Kap River is extremely low, thus rendering the natural boundary not applicable as farm animals are coming through onto the reserve and reserve animals are crossing the dry water bed. A temporary fence needs to be put in place along the river to restrict animal movement and game loses to farm land.
- Poaching remains a major issue and will not be sorted out until the correct equipment purchased and rangers are employed.

ACCOMODATION (days / facilities booked) for July 2017 / June 2018:

Facilities that can generate income on the Reserves are:

- Guest Lodge; Fig tree campsites; Hiking trail; Fisherman Cottage; Oribi cottage; Bird Watching, orchard and picnic sites.

Lodges are under renovations and it should be up and running by November 2018. The main access road to the Kap reserve from the R72 has not been repaired to date however works have started. The main gate is open to the public, signage has being put in place to indicate that the road is still closed, the reasoning for opening the road is for safety of farmers that don't need to get out at night to open the gate. All these factors are having a huge effect on the occupancy of the facilities.

INFRASTRUCTURE

- Kap River- Orchard park home, fisherman cottage continue to be burgled. The side panel of building was damaged on entry to park home, main door window and burglar proofing taking out and the fisherman main window and burglar bars also broken. This has made the cottages inhabitable and no longer able to hire out to public. Recommendation is to break Orchard park home structure down and rebuild.
- The guest lodge and lodge have been refurbished, started date November 2016 and end date June 2018. Both lodges are still not operational awaiting furniture and curtains.

ACCESS CONTROL: FISH RIVER RESERVE

- The fish river camping ground were open to campers this year, this was due to the public protector instruction, the grounds are not up to standard however the main commodities where carried out before season, this being cleaning of ablutions , cutting the grass and placing porta loos. The site was kept clean by casuals and the kap river rangers and lifeguards on the beach.

GAME COUNT LATEST STATISTICS (June 2018):

- Monthly game counts are carried out at both the Kap River and Roundhill nature reserves.

Kap Reserve - 26 June 2017
 Method - Known location method
 Mode - BAKKIE
 Weather- Windy, sun shine
 Results:

Zebra	50
Impala	78
Reedbuck	4
Giraffe	4
Blesbok	0
Red Hartebeest	10
Warthog	18
Bushbuck	12
Vervet monkeys	16
Nyala	0
Duiker	2
Waterbuck	0
Zebra	39
Impala	21
Reedbuck	0
Giraffe	2
Blesbok	0
Red Hartebeest	8
Warthog	9
Bushbuck	1
Vervet monkeys	6
Nyala	0
Duiker	1

Roundhill Reserve - 8 June 2017
 Method - Known location method
 Mode - Foot
 Weather- Cloudy
 Results:

Zebra	33
Impala	0
Bontebok	14
Bushbuck	0
Vervet monkeys	0
Common Duiker	4
Springbok	19
Warthog	5

Kap Reserve - 29 June 2018
 Method - Known location method
 Mode - BAKKIE
 Weather- Sun shine
 Results:

Waterbuck	0
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Roundhill Reserve - 18 June 2018

Method - Known location method

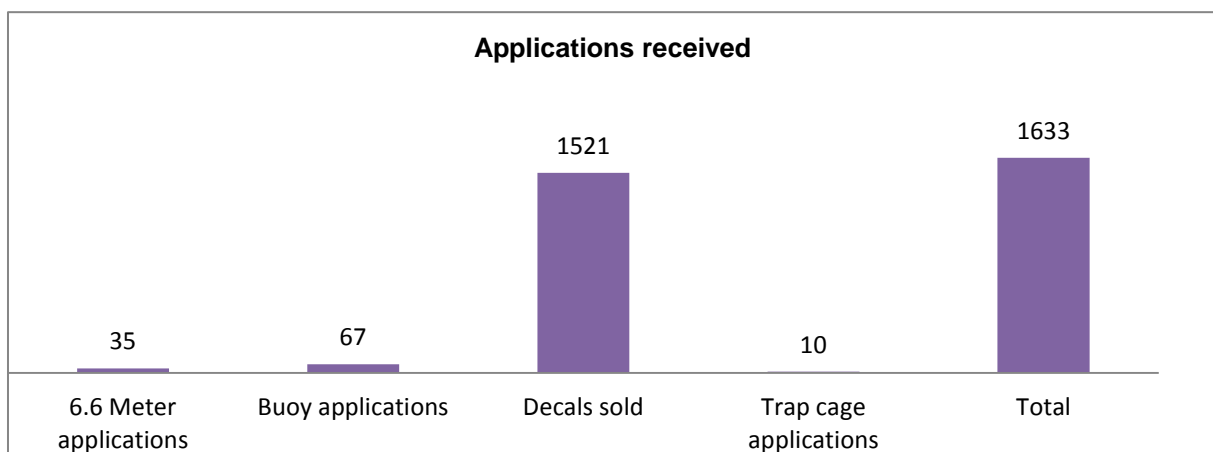
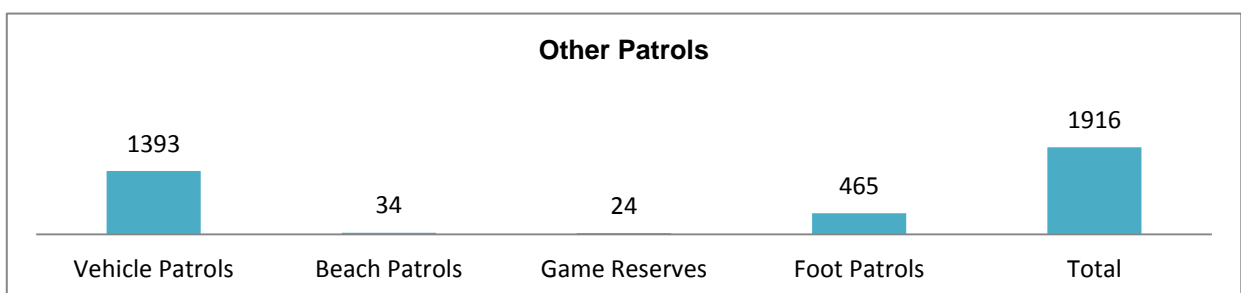
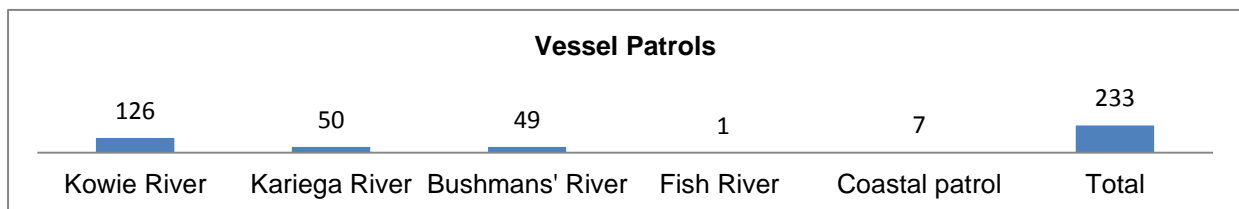
Mode - Foot

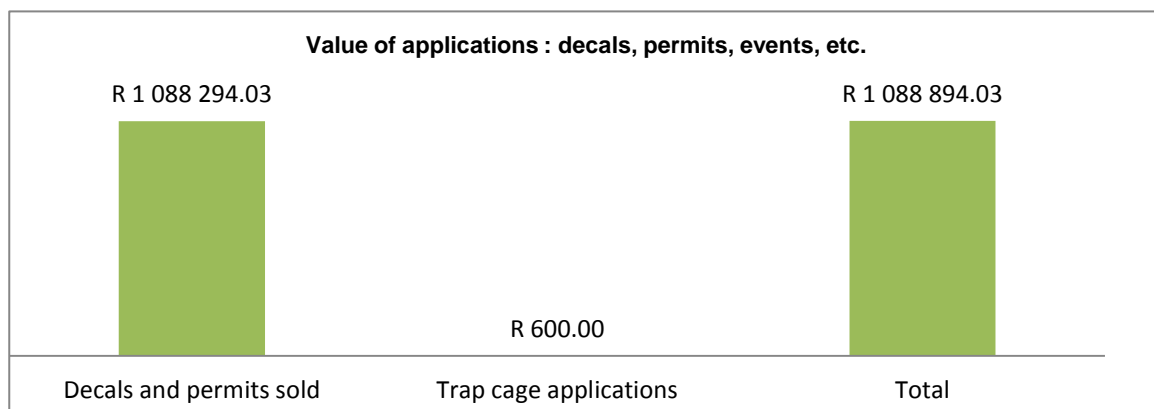
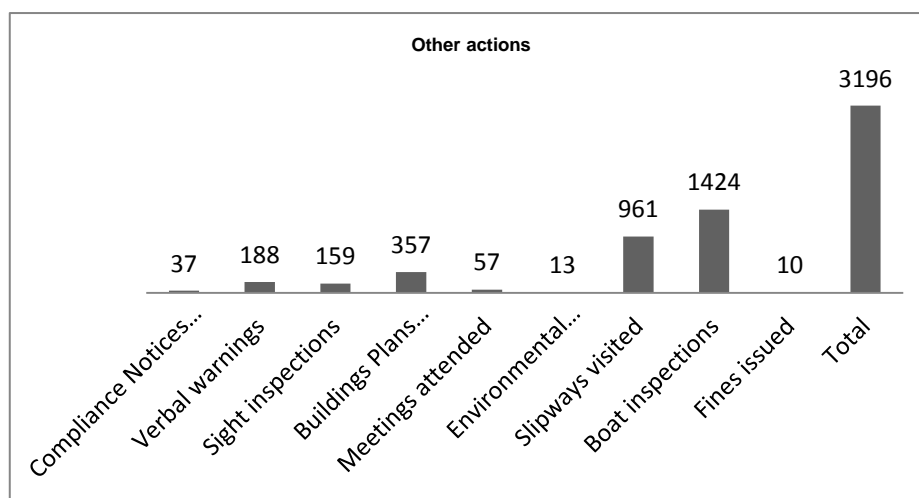
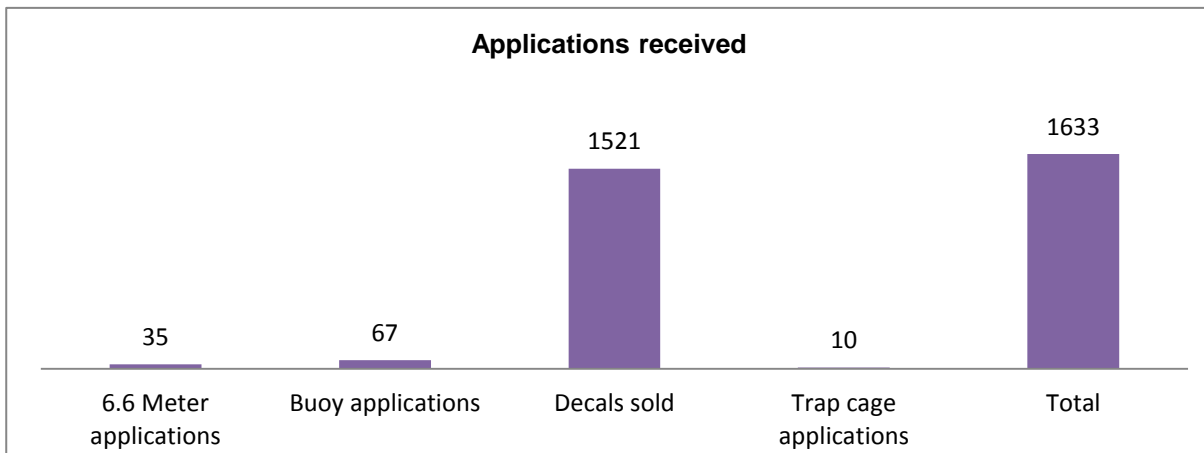
Weather- Cloudy

Results:

Zebra	37
Impala	0
Bontebok	11
Bushbuck	1
Vervet monkeys	0
Common Duiker	0
Springbok	15
Warthog	0

ENVIRONMENTAL COMPLIANCE

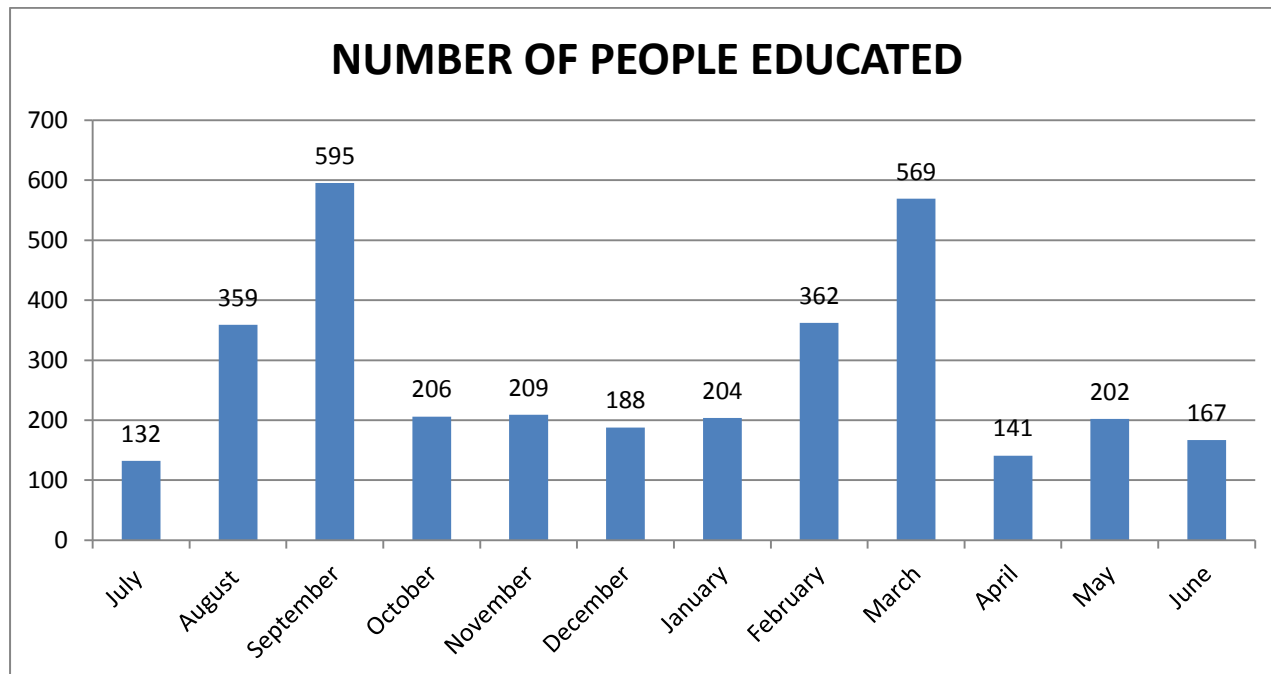




ENVIRONMENTAL EDUCATION

STAFF

- Conservationists Officer
- Environmental Education Officer



3.15 ENVIRONMENTAL HEALTH

1. Background

Environmental health services means the health services falling within the definition of Municipal Health Services as outlined in the National Health Act, 2004 (Section 3.12 or 2.12), also known as Municipal Health Services in respect of which the District Municipality has full legislative and executive authority in terms of section 84(1)(i) of the Municipal Structures Act.

Ndlambe Municipality has entered into a Service Level Agreement with Sarah Baartman District Municipality to render Municipal Health Services Function on behalf of the district municipality. In the service level agreement Sarah Baartman District Municipality commits that the district will provide a subsidy that transfer of payment quarterly will be undertaken by the district for the purposes of rendering the agreed Municipal Health Services. The district municipal health services include the following:

- Air pollution including radiation control
- Noise pollution, including mechanical ventilation
- Milk control and monitoring
- Health legislation and monitoring
- Ensuring safe food supply
- Potable water monitoring
- Pollution control other than noise, water and air pollution
- Infectious disease control
- Business licensing
- Issuing Certificates of Acceptability

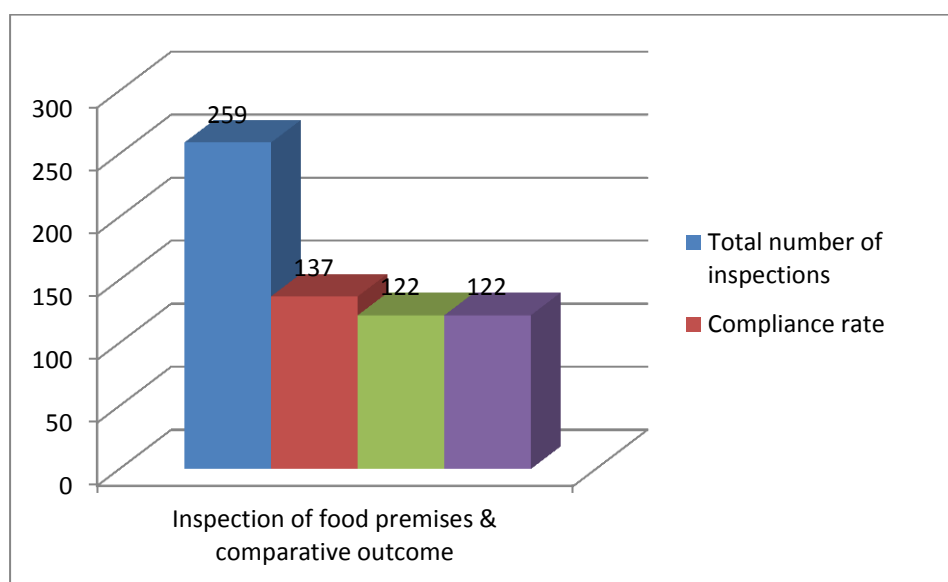
- Health aspects of building plan approvals
- Epidemiology & diseases investigations
- Pauper burials
- Exhumations and re-burials
- Information systems
- Training and human resource development.

According to the National Norms and Standards for Environmental Health and the World Health Organisation (WHO) norm for staffing of Environmental Health Practitioners, the acceptable ratio is 1: 10 000 population in order to enable Environmental Health Practitioners to render municipal health service effectively. Currently, Ndlambe Municipality with the latest 2011 Census population which is estimated around 61 176, with this population, Ndlambe Municipality is not adhering to the WHO and National Norms and Standards for Environmental Health. The norms and standards stipulate that for such population there should be 6 functional Environmental Health Practitioners instead of the current 3 Environmental Health Practitioners.

2. **Food Quality Control – Inspection of Food Premises**

Inspection of food premises is one of the most important Key Performance Areas for Environmental Health Services (Municipal Health Services). Food Quality Control is also set out on the municipal IDP as one of the key performance areas for environmental health services. Regular unannounced inspections are conducted on food premises to make sure that food premises are compliant with food hygiene handling requirements as per legislative requirement. Vigorous efforts are made to assist and encourage all food premises inspected to be compliant with the regulations governing general food hygiene handling where there are contraventions with the regulations.

Figure 1: Analysis of Inspections carried out.



3. **Water Quality Monitoring**

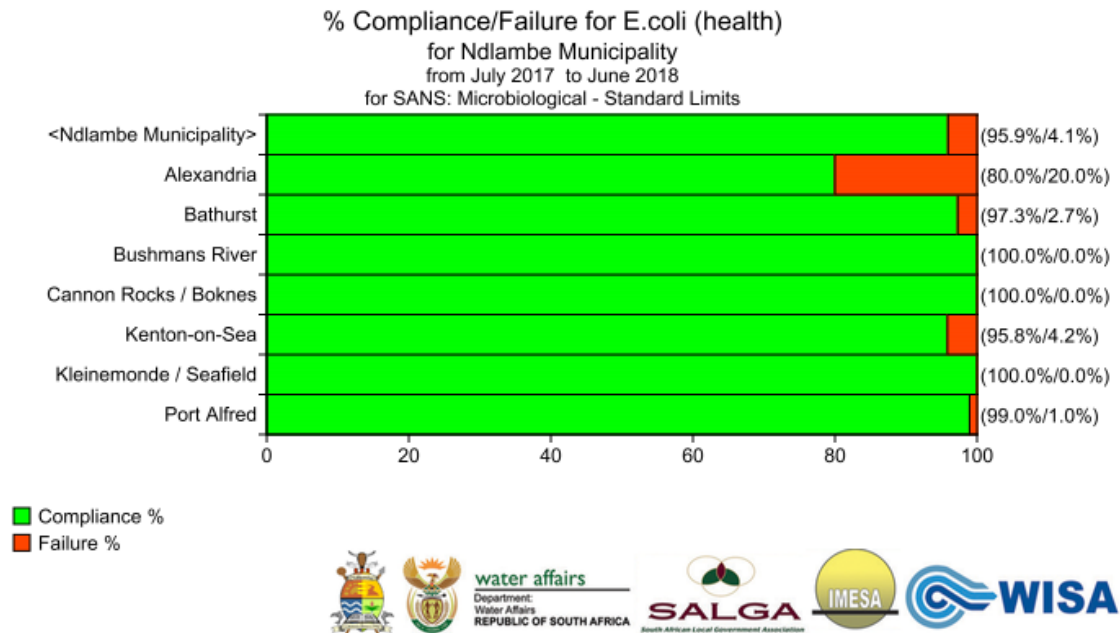
Water quality monitoring is also the most important Key Performance Areas for Environmental Health Services (Municipal Health Services). Water Quality monitoring is also set out on the municipal IDP as one of the priority areas for basic service delivery. Regular drinking water samples are taken for bacteriological and chemical analysis as per legislative mandate (SANS 0241) to establish water safeness for human consumption.

The graph below indicates compliance/failure as a result of Escherichia coli (E. coli) which is an indicator of faecal pollution by warm blooded animals (often interpreted as human faecal pollution). E.coli is responsible

for infectious diseases such as gastroenteritis, cholera, dysentery and typhoid fever after ingestion of contaminated water.

The graph is generated automatically based on water quality data loaded onto the electronic Water Quality Management System (eWQMS) and further provides summary information on key water quality results as required for legislative compliance.

Figure 2: Percentage Compliance/Failure Rate for E.coli (health).



- Failing samples indicates the number of samples failing **SANS: Microbiological - Standard Limits** vs. the total number of samples collected in an area.
- The percentage failure displayed is the percentage of all samples collected in the area falling outside **SANS: Microbiological - Standard Limits**

Water Quality Compliance Table

July 2017 – Dec 2017, E.coli (health) (count per 100 mL)

Area	July 2017		August 2017		September 2017		October 2017		November 2017		December 2017	
	Samples Complied	% Compliance	Samples Complied	% Compliance	Samples Complied	% Compliance	Samples Complied	% Compliance	Samples Complied	% Compliance	Samples Complied	% Compliance
Ndlambe Municipality	23 / 23	100.0%	22 / 22	100.0%	20 / 23	87.0%	26 / 26	100.0%	22 / 22	100.0%	21 / 22	95.5%
<u>Alexandria</u>	4 / 4	100.0%	3 / 3	100.0%	0 / 3	0.0%	6 / 6	100.0%	3 / 3	100.0%	3 / 3	100.0%
<u>Bathurst</u>	3 / 3	100.0%	3 / 3	100.0%	3 / 3	100.0%	4 / 4	100.0%	3 / 3	100.0%	3 / 3	100.0%
<u>Bushmans River</u>	3 / 3	100.0%	3 / 3	100.0%	4 / 4	100.0%	3 / 3	100.0%	3 / 3	100.0%	3 / 3	100.0%
<u>Cannon Rocks / Boknes</u>	2 / 2	100.0%	2 / 2	100.0%	2 / 2	100.0%	2 / 2	100.0%	2 / 2	100.0%	2 / 2	100.0%
<u>Kenton-on-Sea</u>	2 / 2	100.0%	2 / 2	100.0%	2 / 2	100.0%	2 / 2	100.0%	2 / 2	100.0%	2 / 2	100.0%
<u>Kleinemonde / Seafiel</u>	1 / 1	100.0%	1 / 1	100.0%	1 / 1	100.0%	1 / 1	100.0%	1 / 1	100.0%	1 / 1	100.0%
<u>Port Alfred</u>	8 / 8	100.0%	8 / 8	100.0%	8 / 8	100.0%	8 / 8	100.0%	8 / 8	100.0%	7 / 8	87.5%

Water Quality Compliance Table

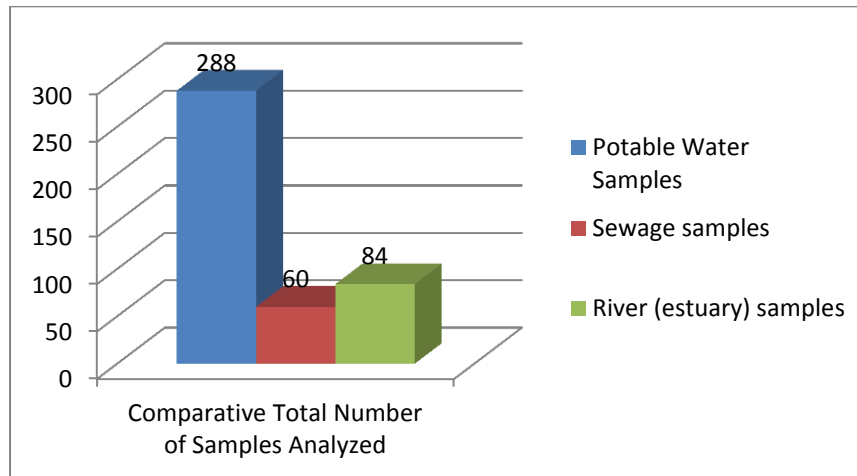
January 2018 – June 2018, E.coli (health) (count per 100 mL)

January 2018	February 2018		March 2018		April 2018		May 2018		June 2018		% Compliance
Area	Samples Complied	% Compliance	Samples Complied	% Compliance	Samples Complied	% Compliance	Samples Complied	% Compliance	Samples Complied	% Compliance	
Ndlambe Municipality	22 / 22	100.0%	17 / 22	77.3%	20 / 22	90.9%	22 / 22	100.0%	22 / 22	100.0%	100.0%
Alexandria	3 / 3	100.0%	0 / 3	0.0%	1 / 3	33.3%	3 / 3	100.0%	3 / 3	100.0%	100.0%
Bathurst	3 / 3	100.0%	2 / 3	66.7%	3 / 3	100.0%	3 / 3	100.0%	3 / 3	100.0%	100.0%
Bushmans River	3 / 3	100.0%	3 / 3	100.0%	3 / 3	100.0%	3 / 3	100.0%	3 / 3	100.0%	100.0%
Cannon Rocks	2 / 2	100.0%	2 / 2	100.0%	2 / 2	100.0%	2 / 2	100.0%	2 / 2	100.0%	100.0%
Boknes											
Kenton-on-Sea	2 / 2	100.0%	1 / 2	50.0%	2 / 2	100.0%	2 / 2	100.0%	2 / 2	100.0%	100.0%
Kleinemonde / Seafeld	1 / 1	100.0%	1 / 1	100.0%	1 / 1	100.0%	1 / 1	100.0%	1 / 1	100.0%	100.0%
Port Alfred	8 / 8	100.0%	8 / 8	100.0%	8 / 8	100.0%	8 / 8	100.0%	8 / 8	100.0%	100.0%

- *Complying samples indicates the number of samples complying with **SANS: Microbiological - Standard Limits** vs. the total number of samples collected in an area.*
- *The percentage compliance displayed is the percentage of all samples collected in the area falling within **SANS: Microbiological - Standard Limits**.*

Drinking Water, Sewage Effluent and Rivers (Estuaries): (Comparative number of Samples)

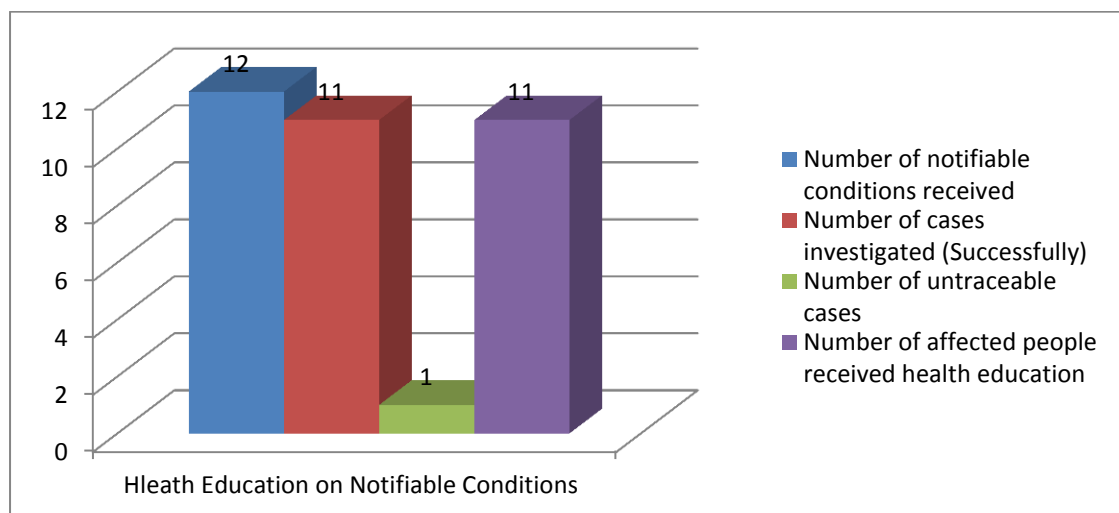
Figure 3: Comparative total number of samples analyzed



4. Communicable Disease (Notifiable Medical Conditions) Investigations

Communicable disease is also the most important Key Performance Areas for Environmental Health Services (Municipal Health Services) as also set out on the municipal IDP document. Education and Awareness campaigns were conducted in order to prevent conditions that would favour the spread of communicable diseases. Education and awareness campaigns are aimed at improving Communicable Disease Control and improving the quality of life of all Ndlambe municipality residents and the visitors. The primary role of Environmental Health on the cases and types of communicable diseases and illnesses in the community is to identify trends and patterns in the population. Environmental Health Practitioners conduct investigations which include interviewing persons affected by communicable disease. In addition, Environmental Health Practitioners educate individuals and the general public regarding communicable diseases and how to prevent transmission, in order to minimize or halt the spread of illness.

Figure 4: Number of Suspected Rabies Cases (Notifiable Medical Conditions)

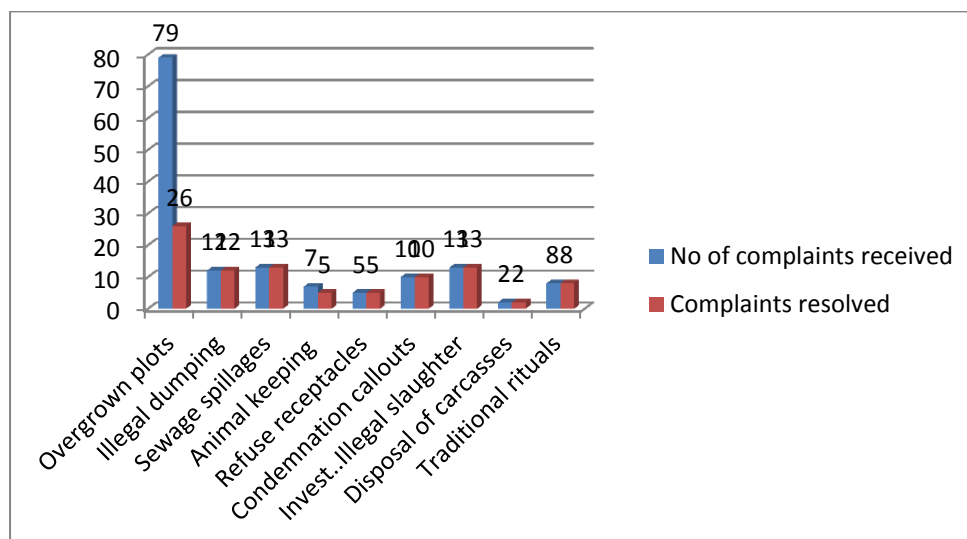


5. Environmental Health Related Complaints

Environmental health is concerned with all aspects of natural and built environmental that may affect human health. Environmental health also contributes to the promotion of wellness and prevention of disease, primarily by controlling environmental factors that negatively impact on human health; it also encompasses the discipline of anticipating, recognizing, evaluating and controlling health hazards. Most of the complaints attended are the priority areas of the municipality as listed on the municipal IDP document.

The table below shows environmental health related complaints received during the 2017/2018 financial year. Approximately ninety one (91) environmental health complaints were attended to and are as follows:

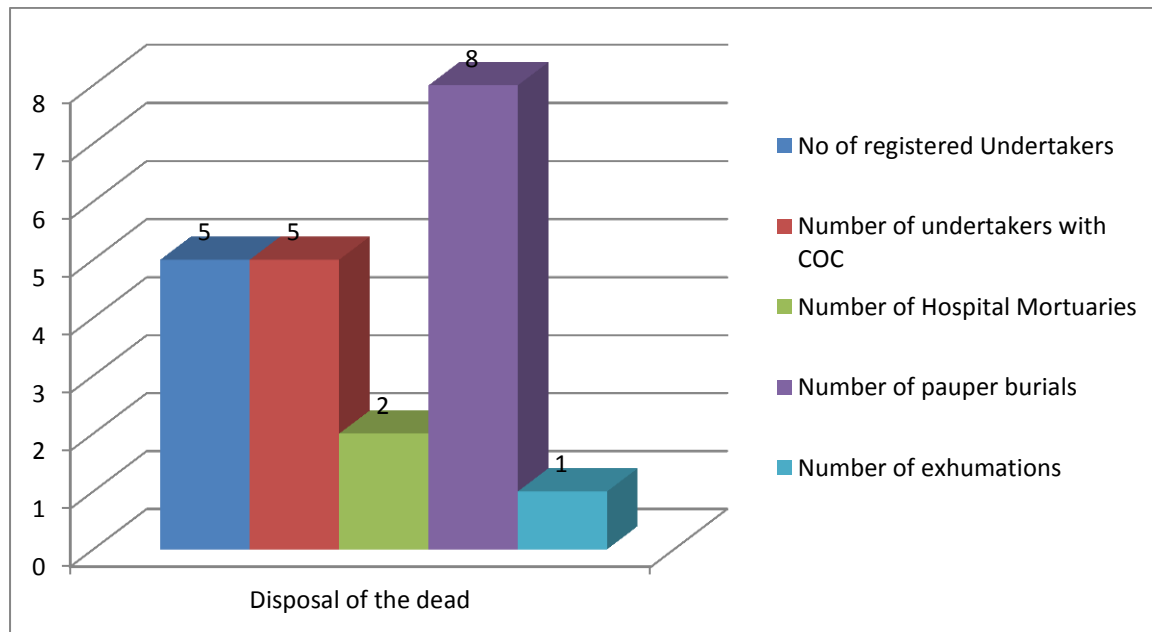
Figure 4: Environmental health related complaints



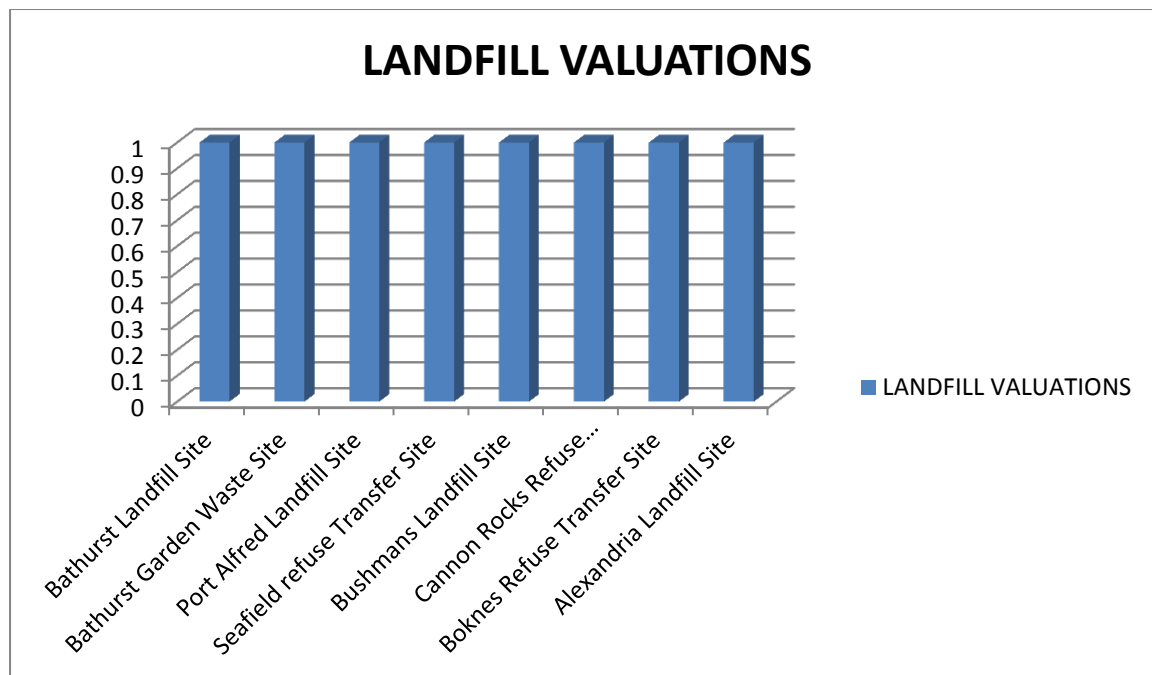
6. Disposal of the Dead

All funeral parlours or undertakers are inspected to ascertain that the premises are in compliance with the applicable legislation, which is Regulation 363 relating to the management of human remains including the any other regulations relating to applicable health standards.

Figure 5: Illustrates information relating to disposal of the dead.



LANDFILL SITE EXTERNAL VALUATIONS



5

COMPONENT G: SECURITY AND SAFETY

3.16 SECURITY SERVICES

Facilities patrolled

Port Alfred workshop; Santa pump station; Port Alfred landfill site; Port Alfred waste water treatment plant

Bushmans river Mouth workshop; Ndlambe integrated emergency centre; Bushmans sewer ponds

Recycling centre – Alexandria; Municipal pound; Alexandria workshop

Total of patrols = 422

Security sites inspected and guards visits

Port Alfred workshop; Santa pump station; Port Alfred landfill site; Port Alfred waste water treatment plant; Bushmans river Mouth workshop; Ndlambe integrated emergency centre; Bushmans sewer ponds; Recycling centre – Alexandria; Municipal pound; Alexandria workshop

Total no of security inspections and guards inspections = 104

Security breaches

Offences committed: Theft of tools, Theft general, Theft of diesel, Murder, Theft of tyres, Theft of electrical panels, Housebreaking and theft, Theft of copper cable, Malicious damage to property, Arson, Public violence, Unarmed security alarms

Total no of security breaches = 28

Criminal cases opened

Total = 11

Suspects arrested

1 suspect = for theft in Bushman's river Mouth workshop,

1 suspect = for arson at Port Alfred landfill site

Recoveries

125 litres of diesel recovered

3.17 TRAFFIC SERVICES

Report financial year 2017/2018 - Motor Vehicle Licencing and Registration (MVRA)

Temporary permits issued	65	R6 615.00
Temporary permits (blank) issued	30	R29 400.00
Special permits issued	51	R4 050.00

Registration of vehicles	2673	R316 668.00
Duplicate registration certificates issued	169	R90 675.00
Licencing of vehicles	11844	R5 946 170.70
Allocated personal number plates	19	R3 672.00
TOTAL FEES COLLECTED BY RA		R7 836 524.94
TOTAL AGENCY FEES (NDLAMBE)		R1 801 801.49
TOTAL PROVINCIAL FEES		R5 638 459.45
RTMC FEES		R465 312.00

The Motor vehicle Licencing and Registration section collected a total of **R1, 801, 801.49** for the financial year 2017 / 2018

Report financial year 2017/2018 - Driving Licence Testing Centre (DLTC)

Application for Learner Licences	974	R207 461.00
Application for PrDP	633	R68 373.00
Application for Heavy Motor Vehicle tests	2488	R858 360.00
Application for Light Motor Vehicle tests	486	R142 884.00
Duplicate Learner Licences issued	69	R12 780.00
Issued Driving Licences	4405	R897 885.00
Issued Learner Licences	642	R44 298.00
Issued Temporary Driving Licences	1935	R120 248.00

The Driving Licence Testing Centre section collected a total of **R2, 353, 289.00** for the financial year 2017 / 2018.

Report financial year 2017/2018 - Law Enforcement (TCS)

Summonses issued	1910	R1 016 100.00
Warrants of Arrests served	8	R14 400.00
Income collected by TCS		R263 650.00

The Law Enforcement section collected a total of **R263, 650.00** for the financial year 2017 / 2018.

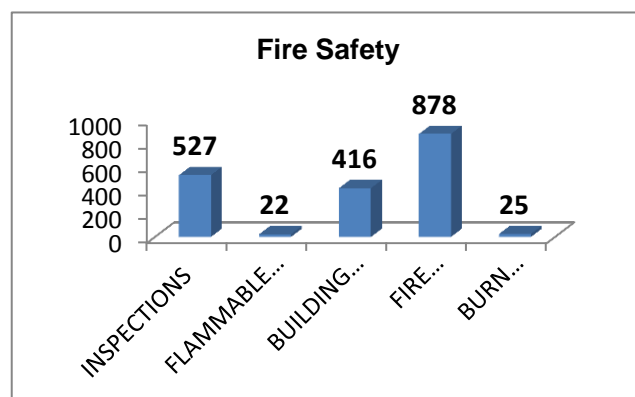
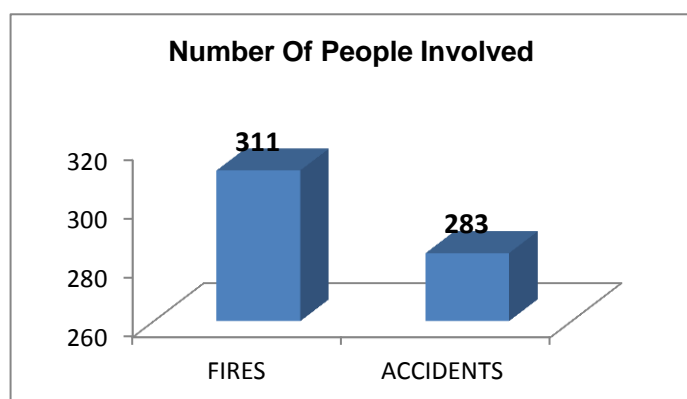
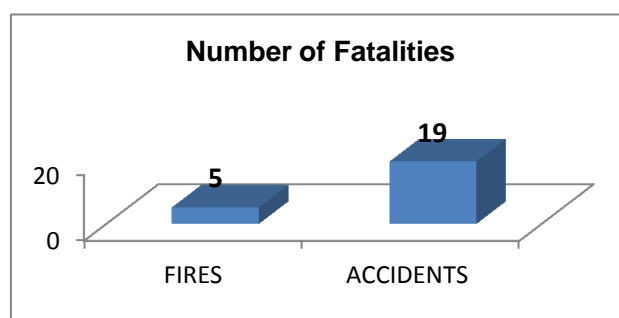
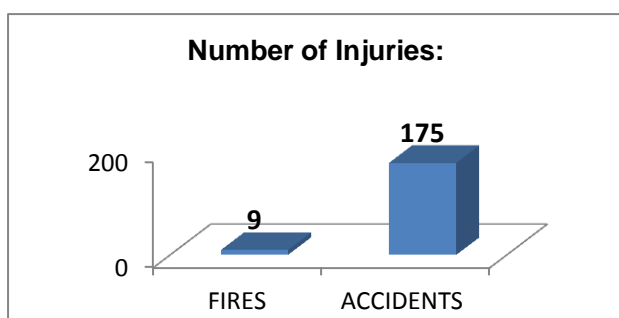
3.18 FIRE

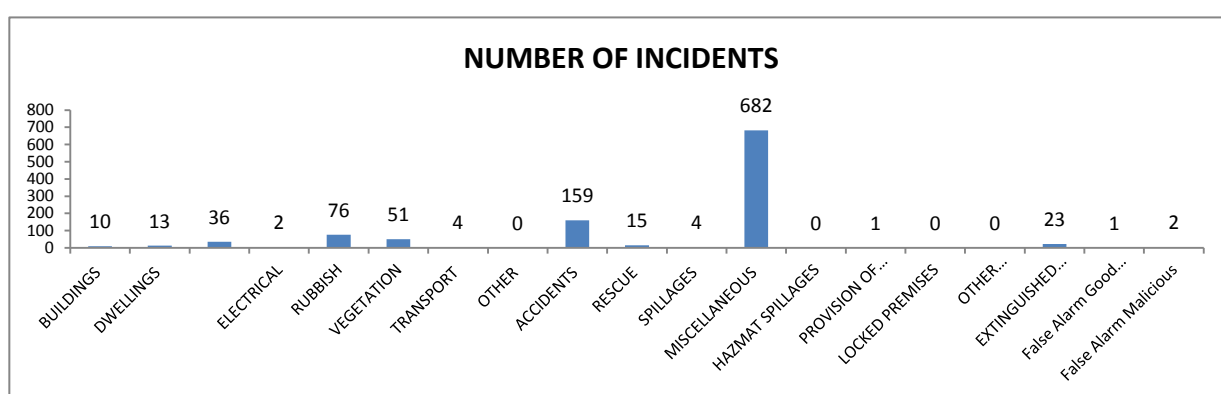
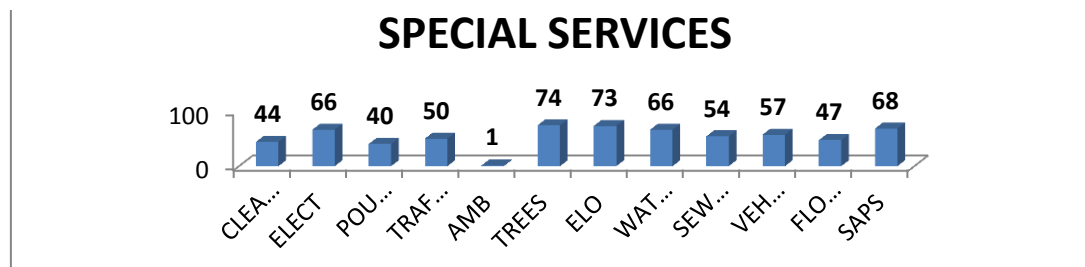
Background

The Fire and Emergency Service is mandated to protect the community of Ndlambe Municipality and visitors against fire and emergencies which may occur and the provision of fire prevention and awareness initiatives to reduce the risk and vulnerability of the community. The enablers for this mandate are Operational readiness and effectiveness, Fire prevention Initiatives, Training and capacity building of Staff and the Community. Currently only one Fire Station situated in Port Alfred servicing the entire Ndlambe Municipal area. Negatively impact on effective response to fires and other incident management initiatives due to delayed arrival times. A Fire Station in Bushmansriver is build and at final handover phase and not yet commissioned. The Fire Service legislative mandate is:

The SA Constitution, Schedule 4 Part B allocates Fire Fighting Services as a responsibility of local government. The Fire Brigade Services Act (FBSA), 1987 which provides for the establishment, maintenance, employment, coordination and standardization of fire brigade services and matters connected therewith. Currently there is a SLA in place with the District Municipality to assist in the delivery of the service.

Statistics





Challenges

1. Staff compliment is inadequate to render the service optimally.
2. The commissioning of Bushman's Centre with staff, equipment and vehicles will alleviate our response challenges.
3. Lack of Capital outlay for replacement equipment and vehicles.
4. Lack of Support admin staff for the Manager: Fire Service

3.19 OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

- Disaster Management is a competency of Sarah Baartman District Municipality. A Disaster Co-Ordinator has been appointed by the District Municipality and he has a satellite office in Port Alfred;
- The Municipality is currently not carrying out the function of Animal Licensing. The control of animals and Public Nuisances is a shared function between Environmental Conservation and Environmental Health.

CHAPTER 4

ORGANISATIONAL DEVELOPMENT

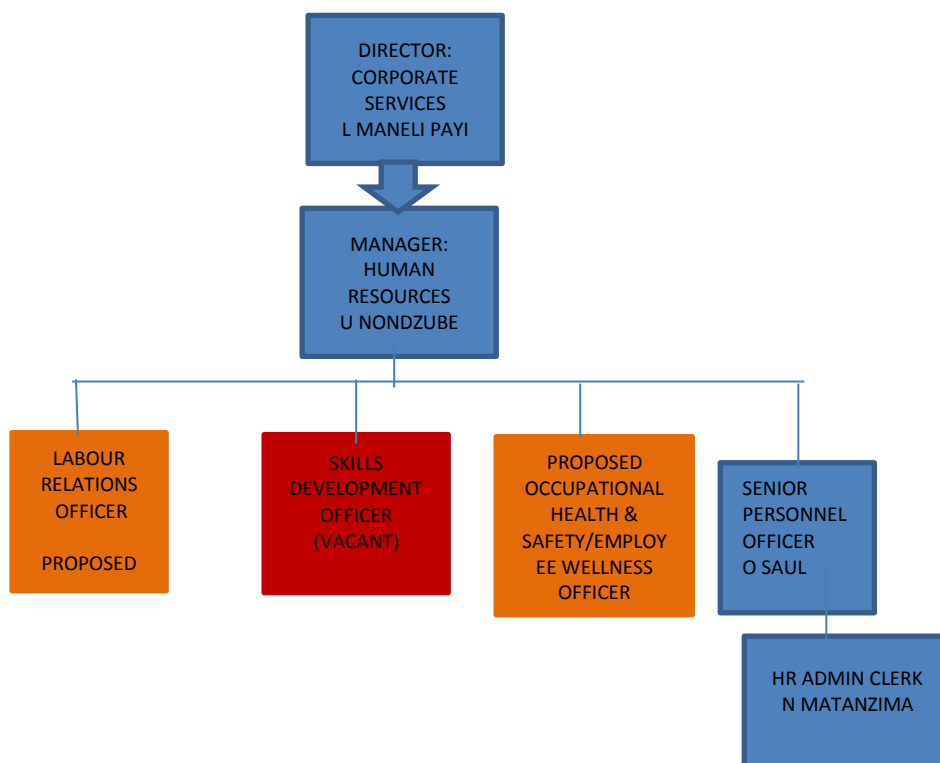
INTRODUCTION TO HUMAN RESOURCE SERVICES

Ndlambe Municipality employs approximately 486 people who currently account for more than 38% of the local municipality's overall budget. It should be understood that people are not only an organisation's most valuable assets, they are the organization. Without them nothing will happen. The staff should be seen and treated as the organisation's customers-it therefore becomes the duty of the municipality to work towards making them successful.

Critical to people management is management of their performance through not only goal setting but also regular performance reviews which is championed by the Office of the Municipal Manager. Of importance in Human Resource Management is the investment in the training of staff-the more staff know the more value will the Municipality be able to add to its customers.

Lastly the Municipality through the Human Resources has to develop mechanisms to measure, absenteeism and staff turnover so as to ensure that the people management process is working optimally through the PayDay Sysem. The effective and strategic management of human resources therefore becomes the cornerstone of the wider transformation of the Local Government Service.

To survive and to remain a key player in sustainable development the municipality thus has to develop measures that will ensure a strategic human resource management approach. The Municipality has an adopted Organisational Structure.



4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees: Human Resources Services					
	Year -1	Year 0			
Job Level	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
Sec 56	1	1	1	0	0
Task Grade 6 – 16	3	4	3	1	

Employees					
Description	Year -1	Year 0			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Water	21	24	21	3	
Waste water (sanitation)	14	14	14	0	
Electricity	2	4	2	2	
Waste Management	110	112	110	2	
Housing	6	8	6	2	
Waste Water (stormwater drainage)	17	19	17	2	
Roads	19	20	19	1	
Transport	0	0	0	0	
Town Planning & Building Control	8	10	8	2	
Local Economic Development	3	7	3	4	
Planning (strategic and Regulatory)	0	0	0	0	
Community and Social Services	64	74	64	10	
Environmental Protection / Health	3	3	3	0	
Sport and Recreation	1	1	1	0	
Corporate Policy Offices and Other	144	176	144	32	
Totals	412				

Vacancy Rate: Year 2018/19			
Designations	Total Approved Posts No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	0	0
CFO	1	0	0
Other S57 Managers (excluding Finance Post)	3	0	0
Other S57 Managers (Finance Post)	0	0	0
Fire Fighters	12	0	0
Senior Management levels 13 – 17 (excluding Finance Post)	17	0	0
Senior Management levels 13 – 17 (Finance Post)	3	0	0
Highly skilled supervision: levels 9 – 12 (excluding Finance posts)	20	0	0
Highly skilled supervision: levels 9 -12 (finance posts)	3	0	0
Internal Audit Staff : (Levels 9– 12)	2	0	0

COMMENT ON VACANCIES AND TURNOVER:

The critical positions mentioned in the above column are filled which positively reflect the stability of the Municipality and the functioning of the Retention Strategy of Ndlambe Municipality. However other terminations in lower positions are as a result of resignations, deaths, retirements and dismissals.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The Council has reviewed and adopted policies including the new ones. The process of policy development is ongoing as the needs may arise with time. It must be noted that the engagement process in consultation with labour at the Local Labour Forum and with the working session with the Councillors in policy development has led to the final adoption of the policies. Local Labour Forum sits on a monthly basis to discuss issues of mutual interest between the employer and organised labour.

The next phase in the policy development is now to workshop staff in all administrative units and consolidate such into municipal employee handbook.

4.2 POLICIES

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by Council or comment on failure to adopt
1	Relocation Policy	100	2018	27 May 2016
2	Casuals and Contract Workers	100	2018	27 May 2016
3	Smoking Policy	100	2018	27 May 2016
4	Retention and Scarce Skills Policy	100	2018	27 May 2016
5	Recruitment and Selection Policy	100	2018	29 March 2018
6	Grievance Policy	100	2018	27 May 2016
7	Chronic Illness Policy	100	2018	27 May 2016
8	HIV/AIDS Policy	100	2018	27 May 2016
9	Human Resources Plan	100	2018	27 May 2016
10	Study and Capacity Building Policy	100	2018	30 June 2017
11	Allowance Policy	100	2018	30 June 2017
12	Bereavement Policy	100	2018	27 May 2016
13	Employee Wellness Policy	100	2018	30 June 2017
14	Labour Relations Policy	100	2018	30 June 2017
15	Occupational Health & Safety Policy	100	2018	30 June 2017
16	Overtime Policy	100	2018	30 June 2017
17	Private Work (Code of Conduct) Policy	100	2018	30 June 2017
18	Remuneration Policy	100	2018	30 June 2017
19	Essential User Car Scheme Policy	100	2018	30 June 2017
20	Motor Vehicle Allowance	100	2018	29 March 2018
21	New Policy on Disciplinary Procedure Agreement	100	2018	29 March 2018
22	Attendance and Punctuality	100	2018	27 May 2016
23	Job Evaluation Policy	100	2018	
24	Leave Policy	100	2018	30 June 2017

4.3 INJURIES, SICKNESS AND SUSPENSIONS

COMMENT ON INJURY AND SICK LEAVE:

The use of injury on duty leave has been low as the injuries sustained during the year were not gross in nature. Six cases were reported to the Compensation Fund for injuries. Two employees were dismissed form for serious misconduct. On the other hand the use of sick leave has proven to be high due to lifestyle diseases amongst other things. There are various reasons to this and they could be ill-health as there are chronic illnesses and also the abuse of sick leave. There has been no suspension of employees.

Financial Competency Development: Progress Report*						
Description	A. Total Number of officials employed by municipality (Regulations 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial officials						
Accounting Officer	1	0	1	1	1	1
Chief Financial Officer	1	0	1	1	1	1
Senior Managers	4	0	4	4	4	4
Any other Officials	10	0	0	10	0	0
Supply Chain Management Officials	3	0	0	3	0	0
Heads of supply chain management units	1	0	0	1	0	0
Supply chain management senior managers	0	0	0	0	0	0
Total	20	0	6	20	6	6

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The municipality recognises the investment in human capital through capacitation of staff. Annually the Workplace Skills Plan is developed and submitted to the Local Government Seta. The plan contains the capacity building programmes for its Councillors and workforce.

NAME & SURNAME	TYPE OF LEARNING PROGRAMME	NAME OF LEARNING PROGRAMME
1. Nonkululeko Vivian Maphaphu Speaker	Bursary	National Diploma Project Management
2. Nosicelo Xhasa Ward Councillor	Bursary	Local Government Law and Administration 1 st Year
3. Thembekile Mbunge Ward Councillor	Bursary	Local Government Law and Administration 1 st Year
4. Phil Yedwa Kani Ward Councillor	Bursary	Local Government Law and Administration 1 st Year
5. Lazola Maneli Payi Director Corporate Services	Bursary	Post Graduate Diploma Labour Law
6. Nombulelo Cynthia Booysen Willy Director Community/Protection Services	Bursary	BTech Environmental Health
7. Fanie Fouche Deputy Director: Community/Protection Services	Leanership	CPMD
8. Unathi Nondzube Human Resources Manager	Leanership	CPMD
9. Julia Mvunelwa Manager: Administration	Leanership & Bursary	CPMD, Bachelor of Public Administration
10. Sizwe Mjacu Manager IDP	Leanership	CPMD
11. Eric Nqampi Manager : Housing	Skills Programme	Environmental Impact Assessment Studies
12. Lungiswa Teresa Jacobs Deputy Manager : Traffic Services	Bursary	National Diploma Road Traffic Management
13. Ntombise Lenya Admin Clerk : Building	Bursary	National Diploma Project Management
14. Jackie Nel Executive Secretary : Director Community/Protection Services	Bursary	National Diploma Public Management
15. Ntombebhongo Vicky Mfo Admin Officer	Bursary	National Diploma Public Administration Management
16. Mcingeli Madlebe Senior Environmental Health Practitioner	Bursary	BTech Environmental Health
17. Sanelisiwe Mlaba Environmental Health Practitioner	Bursary	BTech Environmental Health
18. Vuyokazi Tshangana MIG Technician	Bursary	National Diploma Safety Management
19. Sfundu Eric Runeli Electrician	Skills Programme	Electrical Safety and Auditing
20. Tabisa Siqoko Executive Secretary : Municipal Manager	Bursary	Local Government Law and Administration 4 th Year
21. Khulelekile Cecil Mbolekwa Communications Officer	Bursary	Local Government Law and Administration 4 th Year
22. Janene Naude	Bursary	Bachelor of Administration

Building Inspector		
23. Siyabonga Budaza General Worker	Bursary	Short Learning Programme in Basic Intermediate and Advanced Project Management
24. Luyanda Ngqokoqwane General Worker	AET	Adult Education Training
25. Lubabalo Kolele General Worker	AET	Adult Education Training
26. Mvuyisi Nelo General Worker	AET	Adult Education Training
27. Mfundo Nyama Library Assistant	Bursary	Bachelor Degree Information Science
28. Masivuye Ntlokwana General Worker	Leanership	Diploma Traffic Services
29. Yongezwa Harmans Cleaner	Leanership	Diploma Traffic Services
30. Wilfred Hilpert General Worker	Leanership	Diploma Traffic Services
31. Patricia Tokwe Admin Officer	Skills Programme	Advance Excel
32. Ndileka Gongqa Small Plant Operator	Bursary	National Diploma Public Administration
33. Micheal Joubert Foreman : Boknes	Skills Programme	Health and Safety Workshop
34. Sipho Babama Superintendent Roads and General Works -PA	Skills Programme	Health and Safety Workshop
35. Sfundu Eric Runeli Electrician	Skills Programme	Health and Safety Workshop
36. Mtukanti Gcayiya Foreman – Bathurst	Skills Programme	Health and Safety Workshop
37. Zwelandile Gongqa Foreman- Seafeld	Skills Programme	Health and Safety Workshop
38. Xolisile Mamani Foreman – Water and Sanitation	Skills Programme	Health and Safety Workshop
39. Makhaya Mehlo Foreman Roads	Skills Programme	Health and Safety Workshop
40. Bonisani Ngcwembe Foreman Roads	Skills Programme	Health and Safety Workshop
41. Boy Ngangqu Foreman Refuse	Skills Programme	Health and Safety Workshop
42. Lulama Mxokozeli Foreman Parks. Waste & Refuse	Skills Programme	Health and Safety Workshop
43. Xolani Tyatya Superintendent Roads and General Works –KOS & ALEX	Skills Programme	Health and Safety Workshop
44. Yongama Ntintili Foreman Water & Sanitation – KOS	Skills Programme	Health and Safety Workshop
45. Mabini Antoni Foreman Roads – Roads – KOS	Skills Programme	Health and Safety Workshop
46. Thembisile Ketelo Foreman – Alex	Skills Programme	Health and Safety Workshop
47. Mlamli Mdambatya Foreman : Parks, Refuse and Waste - Alex	Skills Programme	Health and Safety Workshop
48. Sphiwo Faku Acting Superintendent Parks – P.A.	Skills Programme	Health and Safety Workshop

49. Thamsanqa Jobela Superintendent Waterworks	Skills Programme	Health and Safety Workshop
50. Micheal Joubert Foreman : Boknes	Skills Programme	Health and Safety Workshop
51. Sipho Babama Superintendent Roads and General Works -PA	Skills Programme	Health and Safety Workshop
52. Sfundo Eric Runeli Electrician	Skills Programme	Health and Safety Workshop
53. Mtukanti Gcayiya Foreman – Bathurst	Skills Programme	Health and Safety Workshop
54. Zwelandile Gongqa Foreman- Seafield	Skills Programme	Health and Safety Workshop
56. Xolisile Mamani Foreman – Water and Sanitation	Skills Programme	Health and Safety Workshop
57. Makhaya Mehlo Foreman Roads	Skills Programme	Health and Safety Workshop
58. Bonisani Ngcwembe Foreman Roads	Skills Programme	Health and Safety Workshop
59. Boy Ngangqu Foreman Refuse	Skills Programme	Health and Safety Workshop
60. Lulama Mxokozeli Foreman Parks. Waste & Refuse	Skills Programme	Health and Safety Workshop
61. Xolani Tyatya Superintendent Roads and General Works –KOS & ALEX	Skills Programme	Health and Safety Workshop
62. Yongama Ntintili Foreman Water & Sanitation – KOS	Skills Programme	Health and Safety Workshop
63. Mabini Antoni Foreman Roads – Roads – KOS	Skills Programme	Health and Safety Workshop
64. Thembisile Ketelo Foreman – Alex	Skills Programme	Health and Safety Workshop
65. Mlamli Mdambatya Foreman : Parks, Refuse and Waste - Alex	Skills Programme	Health and Safety Workshop
66. Sphiwo Faku Acting Superintendent Parks – P.A.	Skills Programme	Health and Safety Workshop
67. Thamsanqa Jobela Superintendent Waterworks	Skills Programme	Health and Safety Workshop
68 Thamsanqa Enoch Jobela Superintendent Waterworks	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
69. Sipho Babama Superintendent Water & Sanitation	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
70. Patrick Feni Superintendent Roads & General Works	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
71. Mlamli Mdambatya Superintendent Parks and Recreation	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
72. Nomawethu Mbozi Foreman Cleansing & Parks	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People

		Training for Employees
73. Mabini Antoni Foreman Roads & General Works	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
74. Yongama Leonard Ntintili Foreman Roads	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
75. Xolani Tyatya Foreman Water & Sanitation	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
76. Lulama Sidwell Mxokozeli Superintendent Roads & General Works	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
77. Boy Ngangqu Foreman Parks ,Refuse & Cleansing	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
78. Lungelo Aja Foreman Cleansing	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
79. Bonisani Micheal Ngcwembe Junior Foreman	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
80. Makaya David Mehlo Foreman General Works	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
81. Xolisile Mamani Foreman Sanitation	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
82. Mzimasi Mgadi Foreman Water Works	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
83. Zongezile Lose Senior Metre Reader	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
84. Zwelandile Welcome Gongqa Foreman	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
85. Anele Clifford Nikelo Foreman Water Works	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
86. Sifundo Eric Runeli Artisan Electrician	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
87. Wayne Peter Collins Fleet Control Officer	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
88. Michael Petrus Joubert Foreman Works	Skills Programme	Accredited Effective Supervisory/Team Leadership/ Lead and MANAGE People Training for Employees
89. Unathi Nondzube HR Manager	Skills Programme	Human Resources Development for Good Municipal Governance
90. Ntombizanele Mzayiya Data Capturer - PMU	Bursary	Diploma Fleet Management

91. Aubrina Van Niekerk Records Administrator	Bursary	Higher Certificate Archives and Records Management
92. Siena Hendricks Traffic Officer	Skills Programme	Training for EDL F,L,D,B

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

The expenditure on skills development is prioritised according to the needs of the organisation in order to enhance service delivery. All the Head of Departments have attended the financial competency regulations. The municipality also invests on its employees through formal education

4.4 CUSTOMER CARE UNIT

OBJECTIVES

- To use the Batho Pele Principles as a milestone for monitoring and providing feedback on quality of municipal service delivery;
- To use and entrench people centeredness and Batho Pele as a service delivery improvement tool for the municipality

The White Paper on Transformation of Public Services aims to provide people centred customer service. It calls for a shift away from inward looking systems, processes and attitudes to the issues and interests of the people or the public.

To deliver people centred services it is important for the municipality to embrace and institutionalize the Batho Pele principles. This is not only to ensure that the municipality complies with legislation but a people centred culture leads to improved service delivery.

1. PROPOSED PROCESS PLAN

- Conduct diagnostic analysis
- Develop tools for diagnostic analysis in a phased approach
- Develop and propose solutions
- Develop Customer Relations Framework/Strategy
- Integrated Service Delivery (a move away from silo mentality negative effect on service delivery)
- Surveys (CRM) internal and external
- Reporting Matrix for continuous improvement
- Understanding the importance of customer / customer retention

4.5 COMMITTEE SUPPORT

COUNCIL

Legislatively, a municipal Council is allowed to have committees that assist in undertaking the council business. Accordingly, Ndlambe municipality has formulated committees to enhance the operations of the Council and to improve public participation, accountability and intergovernmental relations. Such committees are listed below:

INITIALS & SURNAME	CONTACT DETAILS	Political Party
Councillor N V Maphaph(Speaker)	0837900232	African National Congress
Councillor P P Faxi	0832065931	African National Congress
Councillor N Gamlashe	0733749106	African National Congress
Councillor T M Mbunge	0794509779	African National Congress
Councillor C B James	0721509667	African National Congress
Councillor A Ngqosha	0648608009	African National Congress
Councillor A L Marasi	0734282952	African National Congress
Councillor M Raco	0836909634	African National Congress
Councillor M W Yali	0783619802	African National Congress
Councillor T Mazana	0837900242	African National Congress
Councillor M E Njibana	0789740452	African National Congress
Councillor R L Schenk	0835583195	Democratic Alliance
Councillor M Mateti	0837900248	African National Congress
Councillor N Xhasa	0815451556	African National Congress
Councillor K Daweti	0794935247	Democratic Alliance
Councillor J P Guest	0785391910	Democratic Alliance
Councillor Y P Kani	0733608113	Democratic Alliance
Councillor S Venene	0837900252	Democratic Alliance
Councillor L Shahzad	0787376199	Economic Freedom Fighters
Councillor T D Mbekela	0734908838	Democratic Alliance

EXECUTIVE COMMITTEE (EXCO)

Councillor P Faxi	Mayor, Chairperson & Portfolio Head: Corporate Services	African National Congress
Councillor T Mazana	Portfolio Head: Infrastructural Development	African National Congress
Councillor R Schenk	Portfolio Head: Finance	Democratic Alliance
Councillor N Xhasa	Portfolio Head: Community and Protection Services	African National Congress

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

Councillor T Mbunge	Chairperson	African National Congress
Councillor K Daweti	Member	Democratic Alliance
Councillor M Mateti	Member	African National Congress
Councillor T Mbekela	Member	Democratic Alliance

RULES AND ETHICS COMMITTEE

Councillor N Maphaphu	Chairperson	African National Congress
Councillor K Daweti	Member	Democratic Alliance
Councillor M Njibana	Member	African National Congress
Councillor N Gamlashe	Member	African National Congress

WARD COMMITTEE MEMBERS

WARD 1
Councillor N Gamlashe Chairperson
Mkhonto Ntomboxolo
Boyce Jonga
James Edward Charles Pomroy
Mzwakhe Klaas
Ntombizandile Galada
Siyabulela Soul
Nikiwe Bloko
B Liebengerg
S Gqobothi
WARD 2
Councillor T Mbunge Chairperson
Babalwa Ntante
Vuyiswa Ndesi
Wanele Fulani
Ronald Robert Jacobs
Morice Edward Lavin
Steven King
N Ncandana
N Koortzen
WARD 3
Councillor B James Chairperson
Petrus Cummins
John Wesley
Sheila Swanepoel
Athenkosi Diniso
Nompumelelo George
Lungiswa Siko
Nomazwi Button
Siyabulela Gongqa
Vuyiswa matyunu
WARD 4
Councillor A Ngqosha chairperson
Chester Wilmot

Eugene De Witt
Simon Oliver
Noluthando Smile
Milia Sinqotho
Zingisile Futhi
Nomonde Dili
Torina Mendile
WARD 5
Councillor A Marasi Chairperson
H Butler
J Gaga
D Jam-Jam
Z Jam-Jam
T Mbumba
K Msimanga
M Ngotsha
M Ntozini
S Tembeni
A Zeeman
WARD 6
Councillor M Raco Chairperson
B Nomlomo
V Mcetywa
H Apleni
N Gagayi-Tyam
Z Booi
N Halom
M Mnyanda
L Sontsonga
WARD 7
Councillor M Yali Chairperson
V Dilima
S Gxamza
W Ngcobo
N Makinza
Z Mdambatya
N Pikoli
V Thembeni
N Valela
N Zweni
WARD 8
Councillor T Mazana Chairperson
A Bukani
M Hani
X Macota
P Msipha
N Webu
B Mxube
N Ngece
B Nqobo
K Ntozini
WARD 9
Councillor M Njibana Chairperson
N Daniels

M Lukhwe
S Melani
T Mbabela
S Ngxingxo
B Ngqokoqwane
S Ntamo
N Plaatjie
WARD 10
Councillor R Schenk Chairperson
R Hicks
H Leicher
L Nettelton
Z Nkwinti
C Millard
R Pryce
R Solwandle
T Tele
G P Wansell
D Van Wyk

INTERGOVERNMENTAL RELATIONS (IGR)

INITIALS & SURNAME	CONTACT DETAILS	Political Party
Councillor P P Faxi Chairperson	0832065931	African National Congress
Councillor N V Maphaph(Speaker)	0837900232	African National Congress
Councillor N Gamlashe	0733749106	African National Congress
Councilor T M Mbunge	0794509779	African National Congress
Councillor C B James	0721509667	African National Congress
Councillor A Ngqosha	0648608009	African National Congress
Councillor A L Marasi	0734282952	African National Congress
Councillor M Raco	0836909634	African National Congress
Councillor M W Yali	0783619802	African National Congress
Councillor T Mazana	0837900242	African National Congress
Councillor M E Njibana	0789740452	African National Congress
Councillor R L Schenk	0835583195	Democratic Alliance
Councillor M Mateti	0837900248	African National Congress
Councillor N Xhasa	0815451556	African National Congress
Councillor K Daweti	0794935247	Democratic Alliance

Councillor J P Guest	0785391910	Democratic Alliance
Councillor Y P Kani	0733608113	Democratic Alliance
Councillor S Venene	0837900252	Democratic Alliance
Councillor L Shahzad	0787376199	Economic Freedom Fighters
Councillor T D Mbekela	0734908838	Democratic Alliance
STAKEHOLDERS		
Department of Agriculture Forestry and Fisheries		
Department of Correctional Services		
Department of Education		
Department of Economic Development and Environmental Affairs and Tourism		
Department of Energy		
Department of Health		
Department of Home Affairs		
Department of Human Settlements		
Department of Labour		
Department of National Public Works		
Department of Rural Development and Land Reform		
Department South African Social Security Agency		
Department of Social Development		
Department of South African Police Services		
Department of Sport, Arts, Recreation and Culture		
Liquor Board		
Local Tourism Organization		
Ndlambe Business Chambers		
Ndlambe SMME Forum		
South African Local Government Association		

4.6 INSTITUTIONAL SCORECARD

Additional to the Narrative report provided above the institutional Scorecard, comprising of performance report from each directorate and unit is provided below for the users’ ease of reference and for audit purposes.

Institutional Objective	Strategic Initiatives	Indicator	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Means of Verification	Actual Performance on Annual Targets	Score	Remedial Action
KPA 1: BASIC SERVICE DELIVERY												
Develop state-of-the-art physical infrastructure	% of target funds raised	SAI 1.2.1: Number of funding partnerships established		None	None	1 engagements	2 engagements	Engagement with 3 potential funding partners	DORA & Confirmation letters	Engaged with Bigen Africa P and S, Gilgal, New Grounds for technical reports... In the portfolio of evidence	4	
	Identification of potential projects & sites (Bulk water only)	SAI 1.2.2: Number and location of Identified projects and sites	Consultants assessing potential projects	None	1 Potential project & site identified	None	2 Potential projects & site identified	3 Potential projects & sites identified	Consultants' report	Alexandria Bulk Water Project, Bathurst Bulk Water Project and Thornhill Link services sites identified.	4	
	Pre-feasibility studies of identified infrastructure projects - to include integration into NM Master plan	SAI 1.2.4: Pre-feasibility studies of identified projects & sites		None	None	Pre-feasibility study for identified projects & sites completed		Pre-feasibility study completed	Pre-fesibility report	Bulk Water Pre feasibility done.	3	Need to be more creative and robust in getting funding streams to implement the feasibility study
	Identification possible sources of funding & Development of Business Plans	SAI 1.2.5: Number of identified sources of funding & Business Plan of projects identified	Dept. of Water & Sanitation, COGTA	Engagement with 10 potential funding & fund raising partners	None	10 Projects Identified & Business Plans Developed		10 Projects Identified & Business Plans Developed	Identified projects Report - Project Business Plans	Engaged with DBSA, Office of the Premier and Thornhill project is on design stage. Funding received from OTP for three financial years	4	
	Development / Intensification of partnerships with funders & investors	SAI 1.2.6: No. of partners & funders engagement	Dept. of Water & Sanitation Amatola Water	2 Bulkwater partners (Rand Water, DBSA, Dept.WSA)	None	2 engagements	1 engagement	3 engagements	MOUs	Engaged with DBSA, Office of the Premier and Thornhill project is on design stage. There is an MOU in place.	3	Still require more engagements with DBSA to agree on some funding streams
	Sourcing of funding	SAI 1.2.7: % Confirmation of funding allocation spent	Dept. of Water & Sanitation, COGTA				20% Funding confirmation letter / contract signed	20% Funding confirmation letter / contract signed	DORA & Confirmation letters	MIG AND Office of the Premier confirmed	3	None - Target met
	Feasibility studies of funded projects	SAI 1.2.8: Number of feasibility studies for funded projects completed	None	Pre feasibility	Pre feasibility	Pre feasibility	1 feasibility study	1 feasibility study	Record of decisions (environmental impact assessment report) - Procurement documents	Upgrading of Bulk Water in Bathurst Feasibility Study completed	3	Need to be more creative and robust in getting funding streams to implement the feasibility study
	Water Conservation & Water Demand Management Strategy development & Implementation (to include Harvesting of Rain & Storm Water)	SAI 1.2.9: Water Conservation & Water Demand Management Strategy	Water Conservation & Water Demand Management Report- Business plans for funding request from DWS, Leaks pilot project report	Engagement of / with water demand management specialist	40% progress on development of Water Conservation & Water Demand Management Strategy	80% progress on development of Water Conservation & Water Demand Management Strategy	100% progress on development of Water Conservation & Water Demand Management Strategy	Water Conservation & Water Demand Management Strategy Implemented	Strategy & Implementation Report	Water Conservation and Water Demand Management Strategy is in place and is being implemented. The Municipality has established a unit to deal with leaks on an everyday basis.	3	Need budget for more plumbers.

Institutional Objective	Strategic Initiatives	Indicator	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Means of Verification	Actual Performance on Annual Targets	Score	Remedial Action
	Blue drop compliance (Water budget ring fencing, deal with process/ technical issues)	SAI 1.2.10: % implementation of action plan to improve compliance	43% compliance	Action Plan in place	10% Progress on the implementation of the Action Plan	20% Progress on the implementation of the Action Plan	40% Progress on the implementation of the Action Plan	40% Progress on the implementation Plan - 45% Blue water compliance	Blue drop assessment report - Action Plan	The action plan was developed and is being implemented. The MUSSA results show improvement on BLUE DROP... MUSSA on file	3	The treatment works require refurbishment and in some cases upgrading.
	Green drop compliance (same as blue water issues)	SAI 1.2.11: % implementation of action plan to improve compliance	23% compliance	Action Plan in place	5% Progress on the implementation of the Action Plan	10% Progress on the implementation of the Action Plan	15% Progress on the implementation of the Action Plan	25% Progress on the implementation of the Action Plan - 45% Green water compliance	Green drop assessment report - Action Plan	The action plan was developed and is being implemented. The MUSSA results show improvement on BLUE DROP... MUSSA on file	3	The treatment works require refurbishment and in some cases upgrading.
	Roads condition assessment	SAI 1.2.12: Assessment of Road categories and kilometers requiring maintenance & upgrading	371km requiring maintenance & upgrading	100% Assessment complete	100% Assessment Report completed		100% Assessment report complete	Completed Assessment Report	Assessment Report	Assessment completed and the funding for West Beach drive allocated.	4	
	Roads and Storm Water Master Plan Development	SAI 1.2.13: Development of Roads & Storm Water Master plan development	No Roads and Stormwater Master Plan			Draft Roads Master Plan 100% complete	Draft Roads Master Plan Complete	Complete Roads and Stormwater master plan	Draft Roads Master Plan	There is a draft master plan which still needs to be worked on adding the technical information	3	Budget for equipment for surveying and soil tests
	Identification of possible sources of Funding & Development of Business Plans	SAI 1.2.14: Number of identified sources of funding & Business Plan for identified roads projects	Dept. of Public Works, COGTA	Engagement with potential funding & fund raising partners	Projects Identified & Business Plans Developed		Projects Identified & Business Plans Developed	Identified projects Report - Project Business Plans	Identified projects Report - Project Business Plans	Business plan have been developed. Got funding from MIG, OTP and Public Works	3	Identify more sources and have internal capital budget, the grants are not catering for all our service delivery challenges
	Identification of possible sources of Funding & Development of Business Plans for electricity infrastructure construction, upgrading & maintenance (to include green sources of energy)	SAI 1.2.16: Number of identified sources of funding & Business Plan of projects identified for electricity infrastructure construction, upgrading & maintenance (to include green sources of energy)	R50m worth of maintenance & upgrading	Engagement with potential funding & fund raising partners			1 Projects Identified & Business Plans Developed	1 Projects Identified & Business Plans Developed	DORA & Confirmation letters	The business plans are developed annually to source for electricity funding. The municipality received R 1.1 MILLION FOR Thornhill Bulk Upgrading	3	The Department of Energy must also look at funding municipalities for refurbishment of infrastructure
	Processing of Land use applications	SAI 1.2.18: % of applications processed within legislated time	30% of applications processed within legislated time	35% of applications processed within legislated time	40% of applications processed within legislated time	45% of applications processed within legislated time	50% of applications processed within legislated time	50% of applications processed within legislated time (legal compliance issue - should be 100%)	Updated land use register	By law 100% of the application must be processed within 16 months as legislated in SPLUMA, this target was reached in difficult conditions due to challenge of staff shortage in the section and the absence of a Planning Tribunal during this period, however the this is addressed.	3	Tribunal has been established and will start operating by September 2018

Institutional Objective	Strategic Initiatives	Indicator	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Means of Verification	Actual Performance on Annual Targets	Score	Remedial Action
	Identification of possible sources of Funding & Development of Business Plans for the for Reviewing SDF & Developing an eCadastré	SAI 1.2.19: Number of identified sources of funding & Business Plans submitted	COGTA (2013)			1 source of funding identified		1 Identified sources of funding & Project Business Plan/s	Confirmation letters	The funding applications for funding was done to different sectors and Saraah Baartman have not received a positive response so far.	3	Even though engagements and requests for funding were not successful, the review of the SDF was budgeted for and approved for 2018/2019. Process of advertising for service providers will commence in August. In the past quarters the 2013 SDF was still compliant as it is only due in this financial year.
	Engage in spatial re-engineering to close physical gaps & costly service delivery inefficiencies created by past spatial planning regimes	SAI 1.2.20: Reviewed spatial development framework in line with SPLUMA, Land audit, eCadastré system in place	2013 Approved SDF	Engagement with potential funding & fund raising partners				A reviewed spatial development framework (Due 2018/19)		Even though engagements and requests for funding were not successful, the review of the SDF was budgeted for and approved for 2018/2019. Process of advertising for service providers will commence in August. In the past quarters the 2013 SDF was still compliant as it is only due in this financial year.	3	Even though engagements and requests for funding were not successful, the review of the SDF was budgeted for and approved for 2018/2019. Process of advertising for service providers will commence in August. In the past quarters the 2013 SDF was still compliant as it is only due in this financial year.
	Framework for mixed housing development	SAI 1.2.21: Framework for mixed housing development in place	None		Framework for mixed housing development in place			Framework for mixed housing development in place	Mixed Housing framework report	Framework for mixed housing development in place and an item was taken to Council to approve the mixed housing.	3	The challenge will be on the implementation due to lack of bulk Infrastructure. This will depend on the business plans approval by sector departments and other funding partners for infrastructure.
	Leasing of caravan parks	SAI 1.2.22: Enhanced caravan park infrastructure	Caravan parks in need of upgrading	Engagement with potential funding & fund raising partners	Caravan infrastructure projects Identified & Business Plans Developed		30% of successful engagements	20% Funding confirmation letter / contract signed	Confirmation letters	The municipality maintains the current Park and keep it in a habitable state. The intention though is to lease the Caravan Park to a private entity/individual	3	

Institutional Objective	Strategic Initiatives	Indicator	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Means of Verification	Actual Performance on Annual Targets	Score	Remedial Action
Create a safe and secure living environment	Identify key projects & Funding sources / mechanisms	SSE 2.3.1: Identified sources of funding & Business Plan of the identified projects	Rates & Taxes, Equitable share funds, Dept off environment	Engagement with fund raising partners	Sources of funding Id & Business Plan of the identified projects developed			Sources of funding Identified & Business Plan of the identified projects developed	DORA, Finance - Rates & Taxes receipts, Business Plans	The Municipality relies on Grant Funding and not internal funding for specific Projects within the Instituion.	3	Consultants will be appointed to source funding on behalf of the Municipality, instead of us approaching Institutions directly.
	Source the required funding for identified projects	SSE 2.3.2: % Funding received from the business plans	None				5% Funding confirmation letter / contract signed	5% Funding confirmation letter / contract signed	Confirmation letters	As above	3	As above
	Engagement with potential litigators	SSE 2.3.3: No. of engagements with potential litigators	Prevention of public nuisance by law, solid waste management by law, Commonages by law, (illegal connections by law) - By law assistants - awareness campaign	2 engagements with potential litigators	2 engagements with potential litigators	2 engagements with potential litigators	2 engagements with potential litigators	6 engagements with potential litigators	Minutes & registers of stakeholder engagements	Unforeseen circumstances can result in legal action being instituted. Budgetary constraints and lack of Capital Budget are a challenge.	3	Interact and engage with possible Litigators before the matter is taken before a Court.
	Enhancement of by-laws enforcement	SSE 2.3.4: % of reported infringements (written / verbal warning/ fines / arrests / court outcomes) comprehensively dealt with	Prevention of public nuisance by law, solid waste management by law, Commonages by law, (illegal connections by law) - By law assistants - awareness campaign	10% of reported infringements comprehensively dealt with	10% of reported infringements comprehensively dealt with	15% of reported infringements comprehensively dealt with	20% of reported infringements comprehensively dealt with	25% of reported infringements comprehensively dealt with	Reported infringements (written / verbal warning/ fines / arrests / court outcomes) comprehensively dealt with	The Municipality currents has only 1 (one) By-Law Enforcement Officer for the entire Organisation. This makes it difficult to ensure compliance in all spheres.	3	During the review of the Organogram, a second position for By-Law Enforcement will be proposed.
	Enhancement of traffic management services - (Traffic - Drivers / learners licenses & motor vehicle licences)	SSE 2.3.5: Required traffic management measures are implemented according to legislation	100%	100% compliant with national legislation	100% compliant with national legislation	100% compliant with national legislation	100% compliant with national legislation			There is a shift system, as approved by Council. This increases visibility on the roads.	4	The shift system as implemented should remain in place.
		SSE 2.3.6: % of all applications of all learners and drivers licenses is completed within the confirmed timelines	Drivers / learners licence unit is not fully functional (2 drivers license examiners - minimum of 4 required) - bookings backlog	50% of all applications of all learners and drivers licenses is completed within the confirmed timelines	60% of all applications of all learners and drivers licenses is completed within the confirmed timelines	75% of all applications of all learners and drivers licenses is completed within the confirmed timelines	75% of all applications of all learners and drivers licenses is completed within the confirmed timelines	75% of all applications of all learners and drivers licenses is completed within the confirmed timelines (Bookings Backlogs to be addressed when extra resources are available)	Completed applications and examination reports, - Bookings backlog report	There are currently two DLTCs (Driving License Testing Centres) within the Ndlambe Municipality.	4	This service is being rendered on behalf of the Provincial Department of Roads & Transport in respect of an SLA. There are currently challenges as a result of their LEU (Live Enrollment Unit) systems being out of order - Nationally. This results in delays and a lack of service.

Institutional Objective	Strategic Initiatives	Indicator	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Means of Verification	Actual Performance on Annual Targets	Score	Remedial Action
	Improve the effectiveness of fire & emergency services in the whole of Ndlambe municipality	SSE 2.3.7: % of all reported fire and emergency related incidences are dealt with comprehensively	Inadequate response time - % successful response time- inadequate capacity	60% of all reported fire and emergency related incidences are dealt with comprehensively	65% of all reported fire and emergency related incidences are dealt with comprehensively	70% of all reported fire and emergency related incidences are dealt with comprehensively	75% of all reported fire and emergency related incidences are dealt with comprehensively	75% of all reported fire and emergency related incidences are dealt with comprehensively	Incident report	The IERC (Integrated Emergency Response Centre) in Bushmans' River Mouth is partly in operation. Thirteen (13) Retained Fire Fighters have been appointed.	4	Once the IERC is fully functional, challenges will be alleviated.
	Improve the effectiveness environmental health services in Ndlambe	SSE 2.3.8: % of applications & random inspections of food premises carried through to completion	Inadequate capacity - required ratio is 1:10000 existing is 1:20000	60% of applications & random inspections of food premises carried through to completion	70% of applications & random inspections of food premises carried through to completion	75% of applications & random inspections of food premises carried through to completion	75% of applications & random inspections of food premises carried through to completion	80% of applications & random inspections of food premises carried through to completion	Business licenses, Certificate of acceptability, Completed inspection tools, compliance notices	There are currently only 2 (two) Environmental Health Practitioners within Ndlambe. The norm is 1:10 000 whereas we are currently 1:30 000	4	The District Municipality has indicated that Municipal Health Services as a function will be removed from LM and taken back to the District.
		SSE 2.3.9: % of reported notifiable medical conditions carried out within Ndlambe carried out	60% of reported notifiable medical conditions from within Ndlambe carried out	60% of reported notifiable medical conditions carried out	60% of reported notifiable medical conditions carried out	60% of reported notifiable medical conditions carried out	60% of reported notifiable medical conditions carried out	60% of reported notifiable medical conditions carried out	Hospital report, Environmental health practitioners report	Improved communications between the Municipality and the Department of Health.	3	As above
	Improve the effectiveness of waste & cleansing services in Ndlambe - Zero waste campaign (proactive recycling - link with SMME development)	SSE 2.3.10: % of refuse removals and cleansing services carried out as per relevant schedules	Irregular collection of refuse removals and cleansing services carried out as per relevant schedules	60% of refuse removals and cleansing services carried out as per relevant schedules	70% of refuse removals and cleansing services carried out as per relevant schedules	75% of refuse removals and cleansing services carried out as per relevant schedules	75% of refuse removals and cleansing services carried out as per relevant schedules	75% of refuse removals and cleansing services carried out as per relevant schedules	Refuse removal and cleansing services carried out according to the relevant schedules	An informal shift system has been introduced for Cleansing. There is a lack of capital budget for procurement of Fleet iro Refuse.	4	Formalisation of the shift system. The Municipality is to engage with Consultants to source funding on behalf of the Municipality for Fleet.
		SSE 2.3.11: % of waste separation at source / processed where measuring equipment exists	Inadequate - Approximately 5%.	5% of waste separation at source / processed where measuring equipment exists	10% of refuse removals and cleansing services carried out as per relevant schedules	15% of waste separation at source / processed where measuring equipment exists	20% of waste separation at source / processed where measuring equipment exists	20% of waste separation at source / processed where measuring equipment exists	Zero waste campaign report	This function is currently being carried out by a service-provider on behalf of the Municipality. There are no formal agreements with said service-provider.	3	Managing of the Alexandria Recycle Centre is in the process of being advertised. Once a service-provider has been appointed, an Agreement will be entered into.
	Improve the effectiveness of the Parks & recreation services in Ndlambe covering parks, public open spaces, sports fields & cemeteries	SSE 2.3.12: % of complaints on unkempt parks, public open spaces, cemeteries attended to	40% Inadequate capacity, Beautification & Greening projects, working for the coast - Dept. of Environmental Affairs	40% of complaints on unkempt parks, public open spaces, attended to	50% of complaints on unkempt parks, public open spaces, attended to	60% of complaints on unkempt parks, public open spaces, attended to	70% of complaints on unkempt parks, public open spaces, attended to	Improved Parks & recreation services in Ndlambe covering parks, public open spaces	Complaints register, Verification forms	We are currently reliant on manual Registers, which results in challenges with record-management.	3	Having a GIS system which enables actual visual-records will assist with management of Registers.

Institutional Objective	Strategic Initiatives	Indicator	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Means of Verification	Actual Performance on Annual Targets	Score	Remedial Action
		SSE 2.3.13: No of Maintenance carried out on sports fields & cemeteries & recreational areas as per maintenance schedule	Limited resources	50% of Maintenance carried out on sports fields & cemeteries & recreational areas as per maintenance schedule	50% of Maintenance carried out on sports fields & cemeteries & recreational areas as per maintenance schedule	50% of Maintenance carried out on sports fields & cemeteries & recreational areas as per maintenance schedule	50% of Maintenance carried out on sports fields & cemeteries & recreational areas as per maintenance schedule	Effective Maintenance of sports fields & cemeteries & recreational areas	Maintenance schedule	There is currently a lack of capital Budget to maintain sports fields, cemeteries & recreational areas.	4	Consultants will be appointed to source funding on behalf of the Municipality in order to purchase capital items, including weed-eaters, tractors, chainsaws, etc. We are further in the process of applying for funding through a financial institution in this regard.
Preserve the natural beautiful environment	Effective environmental education & awareness	NBE 3.1.1: No. of adults & scholars serviced in line with environmental themes & number of programs as per environmental calendar	Inadequate tools & means - 1 educational officer for i) Theme based environmental awareness linked to the environmental calendar, 1500 children serviced	300 adults & scholars serviced in line with environmental themes & 6 programs as per environmental calendar	500 adults & scholars serviced in line with environmental themes & 8 programs as per environmental calendar	500 adults & scholars serviced in line with environmental themes & 6 programs as per environmental calendar	300 adults & scholars serviced in line with environmental themes & 6 programs as per environmental calendar	1600 adults & scholars serviced in line with environmental themes & 26 programs as per environmental calendar	Education awareness verification document	An Environmental Education Officer has been appointed.	5	The EEO post is to remain funded on the Organogram.
	Blue flag beach management (Impact on tourism)	NBE 3.1.2: No. of beaches obtaining full blue flag status and pilot blue flag beach status	2 Blue Flag International status beaches, 3 Pilot blue flag status beaches	Application for Blue Flag Status to the International jury	2 Blue Flag status beaches & 3 pilot blue flag status beaches	2 Blue Flag status beaches	Compiling applications for blue flag status	2 Blue Flag status beaches & 3 pilot blue flag status beaches	Blue flag applications POEs and Blue flag certificates, blue flag inspections sheets	Failure to adhere to rigorous Blue Flag standards can result in non-achievement of status.	4	Take steps to ensure that Blue Flag status is achieved.
	Environmental compliance	NBE 3.1.3: No. of law enforcement patrols carried out estuaries, beaches, nature reserves (Impact of patrols, reduced violations)	9 estuaries, 4 major estuaries patrolled, 85km of coastline, 4 nature reserves	30 law enforcement patrols carried out estuaries, beaches, nature reserves	80 law enforcement patrols carried out estuaries, beaches, nature reserves	60 law enforcement patrols carried out estuaries, beaches, nature reserves	30 law enforcement patrols carried out estuaries, beaches, nature reserves	200 law enforcement patrols carried out estuaries, beaches, nature reserves	Patrol sheets, fines and written warnings issued	An Environmental Law Officer and a River Control Officer have been appointed to carry out these functions.	5	The ELO and RCO are to remain on the Organogram as funded positions.
	Nature reserve management	NBE 3.1.4: Ecological capacity of the reserve not exceeded, effectively manage the accommodation estb in the reserve including maintenance of hiking trails, No. of fence patrols	4 nature reserves, 3 leased from SBDM, limited staff & resources	Carrying capacity 100%	Carrying capacity 100%	Carrying capacity 100%	Carrying capacity 100%	Carrying capacity 100%	Game count surveys & records	A lack of capital Budget for the full operation of the Reserves.	3	Consultants will be appointed to source funding on behalf of the Municipality in order to purchase capital items. We are further in the process of applying for funding through a financial institution in this regard.

Institutional Objective	Strategic Initiatives	Indicator	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Means of Verification	Actual Performance on Annual Targets	Score	Remedial Action
	Start the process of implementing the disaster risk assessment outcomes from SBDM	NBE 3.1.5: Disaster avoidance / mitigation & management strategy & plan in place	No Budget, no staff - disaster management coordinator on the SBDM payroll (Need to include budget from existing budgeted /services)		Disaster avoidance / mitigation & management strategy & plan in place			Disaster avoidance / mitigation & management strategy & plan in place	Disaster avoidance / mitigation & management strategy & plan	The Disaster Co-Ordinator is appointed by the District and reports directly to SBDM.	3	The Disaster Co-Ordinator to report directly to Ndlambe Municipality.
KPA 2: ORGANISATIONAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT												
	Relevant advertisements and notices done within the legislated time frames	OEG 1.1.27: % Relevant advertisements and notices are done within the legislated time frames	100% relevant advertisements and notices are done within the legislated time frames	100% relevant advertisements and notices are done within the legislated time frames	100% relevant advertisements and notices are done within the legislated time frames	100% relevant advertisements and notices are done within the legislated time frames	100% relevant advertisements and notices are done within the legislated time frames	100% relevant advertisements and notices are done within the legislated time frames	Advertisement / Notices	This is happening as required and legislated	3	
	Response time and resolution of complaints to be within 7 days of receipt	OEG 1.1.28: Reduction in response time and resolution of complaints to be within 7 days of receipt	14 days response time	Reduction in response time and resolution of complaints to be within 12 days of receipt	Reduction in response time and resolution of complaints to be within 10 days of receipt	Reduction in response time and resolution of complaints to be within 8 days of receipt	Reduction in response time and resolution of complaints to be within 7 days of receipt	Reduction in response time and resolution of complaints to be within 7 days of receipt	Complaints register	Public has acknowledged through media the positive response. Establishment of fully fledged Customer Care Office	5	
	Team building excursion to enhance service delivery through motivation, silo elimination & discovery of new / latent skills [Corporate services, All]	OEG 1.1.29: Internal positive perception survey result - % Rapid response weekly meetings attendance & % items actioned - Meetings attended by lower level staff	Siloed	50% Rapid response weekly meetings attendance & % items actioned % of lower level staff attending	60% Rapid response weekly meetings attendance & % items actioned % of lower level staff attending	70% Rapid response weekly meetings attendance & % items actioned % of lower level staff attending	80% Rapid response weekly meetings items actioned	Cohesive, efficient management team	Perception survey report - actioned items & attendance numbers		3	None - Target met
	Closing of skills gap	OEG 1.1.30: % skills gap closed as per baseline	Skills gap audit outcome	5% skills gap closed as per baseline	10% skills gap closed as per baseline	15% skills gap closed as per baseline	20% skills gap closed as per baseline	More efficient & effective workforce & council	Internal perception survey	Bathurst Learnership (30), Leadership for Supervisors (21) , Grounds and Maintenance (15), Programme for Grade 12 (18), 8 Fire Fighters (92)	5	
	Development of effective wellness program	OEG 1.1.31: % of days lost for sick leave	High level of absenteeism	20% reduction of days lost as per baseline	30% reduction of days lost as per baseline	50% reduction of days lost as per baseline	70% reduction of days lost as per baseline	70% reduction of days lost as per baseline	Leave reports	20 wellness programmes	5	
		OEG 1.1.31: Number of ventures increasing public access to libraries and information services								0.8% increase	3	
		OEG 1.1.32: % of the people employed must comply with the targets set in Employment Equity Plan for designated groups		Recruitment Prioritising designated groups	Sourcing of EE soft ware	Training of the LLF on EE	Employment from the designated groups and one Indian person	Employment of staff from the designated groups and 1% percent from people with disability and one Indian person	EE Report	Provision was made on the scorecard but no response was received from Indians	3	

Institutional Objective	Strategic Initiatives	Indicator	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Means of Verification	Actual Performance on Annual Targets	Score	Remedial Action
		OEG 1.1.33: Mechanisms for Job Evaluation put in place	None (New indicator)	Implementation of Job Evaluation Framework	Implementation of Job Evaluation Framework	Implementation of Job Evaluation Framework	Implementation of Job Evaluation Framework	50% jobs submitted for evaluation completed	Job Evaluation reports	54 job descriptions	3	
	PMS Framework in place and cascaded to Supervisory and Management levels	OEG 1.1.35: PMS Framework reviewed and a plan to cascade in place	Reviewed PMS Framework	Solicit departmental inputs to be considered for review	Incorporate inputs and prepare a draft framework	Table Draft in council	Adoption of PMS framework			PMS Framework is in place until 2018	3	
	Enhance performance reporting	OEG 1.1.35: Municipal quarterly, mid-year and annual performance reports compiled according to applicable prescripts	Performance Plans for s57 and 56 employees	Development of performance plan and submission thereof	Monitor implementation of scorecards through performance reviews	Monitor implementation of scorecards through performance reviews	Monitor implementation of scorecards through performance reviews			This has been done	3	None - Target met
			Quarterly Performance reports	Submit quarterly performance report to Council	Submit quarterly performance report to Council	Submit quarterly performance report to Council	Submit quarterly performance report to Council	4 quartely reports			2	The municipality will stick to the prescribed reporting timeframes as outlined in the IDP/Budget/PMS process plan
			1 Half yearly report, 1 Annual Performance Report		Submit draft annual performance report to council for noting	Submit half-yearly performance report to council		1 Half-yearly Report and 1 Annual report		1 Half-yearly Report and 1 Annual report were developed and approved by Council	3	None - Target met
		OEG 1.1.36: Reviewed IDP annually and adopted according to applicable prescripts	Reviewed IDP 2016/2017	Conduct Situational Analysis	Review institutional objectives	Formulate and budget for projects	Adoption of Final IDP	Reviewed IDP 2018/2019		IDP has been reviewed and adopted by Council within the legislated timeframes	3	None - Target met
Position the municipality as a learning hub of excellence	Partner with SGBs to promote entrepreneurs at school level through conditional funding	LHE 2.4.1: No.of conditional funding programmes in place	None	10% of SGBs engaged	15% of SGBs engaged	20% of SGBs engaged	30% of SGBs engaged	30% of SGBs engaged	Enterprenurship bursaries	Learner support daily doing Mathematics and Science. Saturday classes commenced	5	
	Develop centres of excellence -(Agriculture, Aviation, New economy technologies) (LED)	LHE 2.4.2: No.of strategic partners engaged successfully	Standen university, 43 Air school	2 strategic partners engaged	3 Strategic partners engaged	Development of buisness plans for funding centres of excellence		3 Partnership agreements in place	Partnership agreements	The municipality has working partnerships with both Stenden and 43 Air School in areas of common interest	3	None - Target met
	Provide conditional bursary schemes for youth artisanal & new economy skills training	LHE 2.4.3: No. of conditional bursaries awarded	None	Development of business plans	Submission as part of the work skills plan, Processing of applications	Bursaries award	Monitoring & evaluation	Monitoring & evaluation	Awarded bursaries	22 bursaries awarded which includes Engineering and Painting	3	None - Target met
	Improvement in the implementation of Indigent Policy	CAS 2.2.4: % Indigent households having access to free basic services		100% indigent house holds having access to free basic services	100% indigent house holds having access to free basic services	100% indigent house holds having access to free basic services	100% indigent house holds having access to free basic services	100% indigent house holds having access to free basic services	Indigent access to basic services reports	All people registered on the indigent register do receive Free Basic Services	3	None - Target met
	Develop Special Projects Unit strategy and policy for the unit	CAS 2.2.5: Strategy and policy for the Special Projects unit in place	None		Strategy and policy for the Special Projects unit in place			Strategy and policy for the Special Projects unit in place	Special Projects Policy & Strategy report		3	None - Target met
	Establish Youth, Women & Disability Forums	CAS 2.2.6: Youth, Women & Disability Forums in place	None				Youth, Women & Disability Forums in place	Youth, Women & Disability Forums in place	Youth, Women & Disability Forums reports	The forums are all in place with clear terms of reference	3	None - Target met

KPA 3: LOCAL ECONOMIC DEVELOPMENT

Institutional Objective	Strategic Initiatives	Indicator	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Means of Verification	Actual Performance on Annual Targets	Score	Remedial Action
Develop a vibrant, rapidly growing, employment generating agri-based economy	Identification of possible sources of funding for SMEs support for agriculture production, agro-processing - (Chicory, Horticulture, Dairy)	VAE 1.3.1: No. of identified sources of funding for SMEs development support, % engaged & % target funds raised	1 business plan developed and submitted to DRDLR, Engagement with province on identified oceans economy sites	5 sources of funding identified SMEs development support, 50% potential partners / funders engaged	100% business plans for identified & engaged possible funders developed & submitted		50% of business plans submitted funded	50% of business plans submitted funded	DORA & Confirmation letters	4 Funders have supported our local SMME's: NYDA, DRDAR, DRDLA & NDT	3	
	Agri-based projects implementation (Chicory, Horticulture, Dairy)	VAE 1.3.2: No. of SMEs horticulture projects at implementation stage	Agripark programme - Sundays River - Alexandria support farmer unit				3 funded agri-based project implementation plans in place	3 funded agri-based project implementation plans in place	Project implementation plans	1 Agri-park project identified in Ndlambe, known as Alexandria Farmer Support Unit (FSU)	3	Project stalled, requires intervention at higher levels
Develop a vibrant, rapidly growing, employment generating tourism based economy	Identification of possible sources of funding for SMEs support for heritage tourism	VTE 1.4.1: No. of identified sources of funding for SMEs support for heritage tourism	Heritage sites survey report	5 possible sources of funding partners / instruments identified				5 possible sources of funding partners / instruments identified	List of possible sources of funding	2 Data Capturers from NDT to be deployed at Ndlambe	3	Programme not yet started, NDT to sign MOU with Ndlambe on start of programme
	Development / Intensification of partnerships with possible funders & investors	VTE 1.4.2: % of identified potential SME heritage support partners & funders engaged	None		50% potential partners / funders engagements		50% of potential partners / funders engaged	50% of potential partners / funders engaged	MOUs, MOAs	None	2	Awaiting Data to be collected by the 2 Data Capturers deployed for Ndlambe as the base for funding
	Sourcing of funding for SMMEs support for Heritage Tourism Projects	VTE 1.4.3: % of business plans for identified & engaged possible funders for SME heritage tourism support & developed, submitted & funded	Heritage sites survey report	100% business plans for identified & engaged possible funders developed & submitted			50% of business plans submitted funded	50% of business plans submitted funded	DORA & Confirmation letters	NDT has funded Ndlambe for 10 mil for Tourism Infrastructure projects. Appointed ECPTA as the Project Implementer	3	Ndlambe to participate actively in the SCM processes of the project to ensure local SMME interests
Develop a vibrant, rapidly growing, employment generating Oceans economy	Partner with global partners /investors advanced in opportunities in the Oceans economy	VOE 1.5.1: No. of Partnerships established / Investors	List of projects submitted to Dept. of public works nat. To be part of provincial belt, Investors - Operation Phakisa				5 major investors / partners identified	5 major investors / partners identified	Partnership agreement	List of projects forwarded as part of the EC Province Oceans Economy Projects. Marketing Video developed for investors	3	Video done inhouse, requires professional editing and sound balancing
	Sourcing of funding for the development of identified oceans economy initiatives (Development of small harbor in PA, Dredging of the Kowie river project, Kowie river banks rehabilitation project, Manufacturing, assembly and repairs of boats project)	VOE 1.5.2: % of potential initiatives funders engaged, business plans submitted & funded	Investors conference to be hosted by provincial govt			100% business plans for identified & engaged possible funders developed & submitted	50% of business plans submitted funded	50% of business plans submitted funded	DORA & Confirmation letters	Attended and presented at the EC Provincial Pre Investors Conference. SBDM/ Chinise Cooperation Summit	3	Compile list of potential land parcels for investors appetite in partnership with DPW
	Sourcing of funding for the development of SMMEs and maritime skills	VOE 1.5.3: % of potential funders / partners for the development of SMMEs and maritime skills engaged, business plans submitted & funded	Investors conference to be hosted by provincial govt			100% business plans for identified & engaged possible funders developed & submitted	50% of business plans submitted funded	50% of business plans submitted funded	DORA & Confirmation letters	NDT has funded Ndlambe for 10 mil for Tourism Infrastructure projects. Appointed ECPTA as the Project Implementer	3	Separate Business Plan for Dredging as its not part of Tourism Infrastructure Projects

Institutional Objective	Strategic Initiatives	Indicator	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Means of Verification	Actual Performance on Annual Targets	Score	Remedial Action
Develop a vibrant, rapidly growing, "New economy" employment generating based economy	Promote new economy technologies: ITCs, Cyber security, Precision agriculture, Renewable energies (Solar, Hydrogen cell, Wind)	VNE 1.6.1: New economy strategy in place	None	New economy strategy in place				New economy strategy in place	New Economy Strategy Report	None LED Forum in place	3	Capacity issues within the LED Unit require urgent and immediate attention and no budget has been allocated for this purpose
	Undertake feasibility studies for prioritized projects	VNE 1.6.2: Feasibility studies of new economy technologies prioritized undertaken	None			4 Feasibility studies of new economy technologies prioritized undertaken	4 Feasibility studies of new economy technologies prioritized undertaken	4 Feasibility studies of new economy technologies prioritized undertaken	Feasibility studies reports	None	3	Capacity issues within the LED Unit require urgent and immediate attention. No budget allocated for this purpose
	Establish linkages with BRICS partners	VNE 1.6.2: No. of linkages with BRICS partners established	None	Lobby DIRCO to leverage on BRICS membership			4 linkages with BRICS partners established	4 linkages with BRICS partners established	BRICS Linkages report	None	2	Capacity issues within the LED Unit require urgent and immediate attention
	Use of Open Innovation platforms to gain competitive advantage	VNE 1.6.3: No. of Open Innovation platforms challenges	None		4 Open Innovation platforms challenges		4 Open Innovation platforms challenges	4 Open Innovation platforms challenges	Open Innovations Challenges reports	None	2	Capacity issues within the LED Unit require urgent and immediate attention
Develop and support adventure and extreme water sports	Develop concept document to create partnership with events organisers of: • Bathurst Ox braai • Bathurst Agricultural Show • 4x4 Rally in Bathurst and Mansfield • Rowing • Anything that floats (Kenton on Sea)	EWS 3.2.1: Concept document developed and discussed with potential signature events partners	None	Concept document developed and discussed with potential 2 signature events partners	Concept document developed and discussed with potential 2 signature events partners	Concept document developed and discussed with potential 2 signature events partners	Concept document developed and discussed with potential 5 signature events partners	Concept document developed and discussed with potential 5 signature events partners	MOUs, MOAs		2	
	Develop calendar of signature events	EWS 3.2.2: Adventure & extreme sport Signature events calendar in place	None	Adventure & extreme sport Signature events calendar in place				Adventure & extreme sport Signature events calendar in place	Signature events calendar	1 Event, Amanzi Festival	3	NLM to play a leading role in partnership with ECPTA
Provide sustainable, efficient, cost effective, adequate and affordable services to all our citizens	Participation of previously disadvantaged groups in the local economy put in place	CAS 2.2.3: No. of projects for participation of previously disadvantaged groups in the local economy put in place	Youth centre in Alexandria, MOU to be signed with SEDA to have a mobile unit for once a week, Cooperative bank	1 Cooperative bank to focus on Coops		1 SEDA support MOU signed	2 SMME support projects launched	2 SMME support projects launched	Project reports	SEDA MOU in place, ECDC MOU in progress	3	
KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT												
Improve the municipal systems operational efficiencies and governance of the municipality	Unqualified audit 2018	OEG 1.1.1: 100% compliance with Audit Action Plan	Qualified audit [2015/16 audit report]	100% compliance with Audit Action Plan	100% compliance with Audit Action Plan	100% compliance with Audit Action Plan	100% compliance with Audit Action Plan	Unqualified audit	Audit report	Awaiting Audit Outcomes	N/A	Will be determined by the management letter
	Centralise Supply Chain Management	OEG 1.1.2: % of Supply chain management carried out through a centralized system	Decentralised Supply Chain Management	Job evaluation descriptions developed	Potential Supply Chain Management interviewed	Staffed and well equipped supply chain in place	100% Supply Chain Management System in place	100% of municipality goods & services procured through a central system	Functional Centralised Supply Chain Management system	Senior Buyer Appointed - One department on Centralisation - Annual Tenders processed by SCM	3	Filling of vacancies and Finalisation of Job descriptions

Institutional Objective	Strategic Initiatives	Indicator	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Means of Verification	Actual Performance on Annual Targets	Score	Remedial Action
	Reduction of irregular expenditure related to procurment documentation in line with legislation and SCM Policy	OEG 1.1.3: % reduction of irregular expenditure related to procurment documentation in line with legislation and SCM Policy	% reduction of irregular expenditure related to procurment documentation in line with legislation and SCM Policy	100% reduction of irregular expenditure related to procurment documentation in line with legislation and SCM Policy	100% reduction of irregular expenditure related to procurment documentation in line with legislation and SCM Policy	100% reduction of irregular expenditure related to procurment documentation in line with legislation and SCM Policy	100% reduction of irregular expenditure related to procurment documentation in line with legislation and SCM Policy	100% reduction of irregular expenditure related to procurment documentation in line with legislation and SCM Policy	Audit report	Reduced but impacted by previous years awards paid in current year	3	Analysis of prior Irregular Expenditure, presentation of investigation report to MPAC and recommendation presentation to Council
	Compliant budget adjustment approved by Council in terms of all legislated requirements by 28th February	OEG 1.1.4: % Compliant budget adjustment approved by Council in terms of all legislated requirements by 28th February	100% compliant budget adjustment approved by Council in terms of all legislated requirements by 28th February				100% compliant budget adjustment approved by Council in terms of all legislated requirements by 28th February	100% compliant budget adjustment approved by Council in terms of all legislated requirements by 28th February	Report on compliant budget adjustment approved by Council in terms of all legislated requirements by 28th February	Budget adopted on time and budget schedules submitted	4	Approved budget to be presented in the prescribed tables as per the budget circular
	Supplementary valuation rolls as prescribed by the Municipal Property Rates Act No.6 of 2004, on all improvements to properties, subdivisions & consolidation done in the financial year	OEG 1.1.5: No. of supplementary valuation rolls in place	1 Supplementary valuation roll					1 Supplementary valuation roll	Supplementary valuation reports	Supplementary valuation roll compiled and implemented	4	Fixed period for annual Supplementary valuation rolls to set to ensure timeous completion of Supplementary valuation rolls to maximise the rates revenue
	Improve expenditure of allocated budgets	OEG 1.1.6: % Expenditure spend on approved budget	80% expenditure spend on approved budget	82% expenditure spend on approved budget	83% expenditure spend on approved budget	84% expenditure spend on approved budget	85% expenditure spend on approved budget	85% expenditure spend on approved budget	Expenditure reports	Yes, Expenditure at 91%	4	Adoption of procurement plans and streamline procurement processes
	Compliance with budget preparation and budget related policies finalisation in accordance with the MFMA	OEG 1.1.7: % Compliance of budget preparation & budget related policies finalization within MFMA prescripts	100% compliance of budget preparation & budget related policies finalization within MFMA prescripts	100% compliance of budget preparation & budget related policies finalization within MFMA prescripts	100% compliance of budget preparation & budget related policies finalization within MFMA prescripts	100% compliance of budget preparation & budget related policies finalization within MFMA prescripts	100% compliance of budget preparation & budget related policies finalization within MFMA prescripts	100% compliance of budget preparation & budget related policies finalization within MFMA prescripts	Compliant budget preparation and budget related policies finalisation in accordance with the MFMA	Revised budget policies were submitted and approved by Council	4	Budget circular be used to prepare a Budget Process and Policies be amended to reflect the latest changes in regulation
	Number of in year budget performance reports as required by MFMA submitted on time	OEG 1.1.8: % of in year budget performance reports as required by MFMA submitted on time	100% of in year budget performance reports as required by MFMA submitted on time	100% of in year budget performance reports as required by MFMA submitted on time	100% of in year budget performance reports as required by MFMA submitted on time	100% of in year budget performance reports as required by MFMA submitted on time	100% of in year budget performance reports as required by MFMA submitted on time	100% of in year budget performance reports as required by MFMA submitted on time	Compliant budget performance reports	12 Reports submitted	4	The reports to be done according to the provisions of S71 of the MFMA
	Positive cash flow management according to MFMA and its regulations maintained	OEG 1.1.8: No. of positive cash flow management according to MFMA and its regulations maintained	12 positive cash flow management according to MFMA and its regulations maintained	3 positive cash flow management according to MFMA and its regulations maintained	3 positive cash flow management according to MFMA and its regulations maintained	3 positive cash flow management according to MFMA and its regulations maintained	3 positive cash flow management according to MFMA and its regulations maintained	12 positive cash flow management according to MFMA and its regulations maintained	Monthly Cash Flow reports	11 Reports	4	Cash inflow and outflow forecast and timing of fixed payments is critical to keep a positive
	Reduction of irregular expenditure related to procurment documentation in line with legislation and SCM Policy	OEG 1.1.9: % reduction of irregular expenditure related to procurment documentation in line with legislation and SCM Policy	% reduction of irregular expenditure related to procurment documentation in line with legislation and SCM Policy	100% reduction of irregular expenditure related to procurment documentation in line with legislation and SCM Policy	100% reduction of irregular expenditure related to procurment documentation in line with legislation and SCM Policy	100% reduction of irregular expenditure related to procurment documentation in line with legislation and SCM Policy	100% reduction of irregular expenditure related to procurment documentation in line with legislation and SCM Policy	100% reduction of irregular expenditure related to procurment documentation in line with legislation and SCM Policy	Audit report	This will be determined by the audit. But systems are in place to curb irregular expenditure	3	

Institutional Objective	Strategic Initiatives	Indicator	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Means of Verification	Actual Performance on Annual Targets	Score	Remedial Action
	Measures in place to monitor and control fruitless and wasteful expenditure	OEG 1.1.10: % Reduction in fruitless and wasteful expenditure	% Reduction in fruitless and wasteful expenditure	100% Reduction in fruitless and wasteful expenditure	100% Reduction in fruitless and wasteful expenditure	100% Reduction in fruitless and wasteful expenditure	100% Reduction in fruitless and wasteful expenditure	100% Reduction in fruitless and wasteful expenditure	Audit report	System in place in SCM and Expenditure	4	Both expenditure and SCM identify these expenditure items.
	Maximise interest returns on investment opportunities	OEG 1.1.11: % Interest returns	6%Interest returns					= or < 6%Interest returns	Investment Register	Avg Achieved 6.3%	5	Interest comparison is done by requesting quotations from banks before investing the funds
	Compliance with legislated SCM reporting requirement in line with SCM Policy and MFMA	OEG 1.1.12: % Compliance with legislated SCM reporting requirement in line with SCM Policy and MFMA	100% Compliance with legislated SCM reporting requirement in line with SCM Policy and MFMA	100% Compliance with legislated SCM reporting requirement in line with SCM Policy and MFMA	100% Compliance with legislated SCM reporting requirement in line with SCM Policy and MFMA	100% Compliance with legislated SCM reporting requirement in line with SCM Policy and MFMA	100% Compliance with legislated SCM reporting requirement in line with SCM Policy and MFMA	100% Compliance with legislated SCM reporting requirement in line with SCM Policy and MFMA	Compliant SCM reports	Monthly and quarterly and annual reports generated	3	SCM must be kept up to date on SCM regulation amendments
	Standard operating procedures operationalised in accordance with SCM policy and legislation	OEG 1.1.13: % operating procedures operationalised in accordance with SCM policy and legislation	100% Standard operating procedures operationalised in accordance with SCM policy and legislation	100% Standard operating procedures operationalised in accordance with SCM policy and legislation	100% Standard operating procedures operationalised in accordance with SCM policy and legislation	100% Standard operating procedures operationalised in accordance with SCM policy and legislation	100% Standard operating procedures operationalised in accordance with SCM policy and legislation	100% Standard operating procedures operationalised in accordance with SCM policy and legislation	Standard operating procedures operationalisation reports	45% complete until all identified vacancies filled	2	The operating procedures must be reviewed as the department is being resourced to enable alignment to the centralisation process
	Steps taken to mainstream the implementation of the SCM according to the policy and good practise	OEG 1.1.14: % Compliance with steps to mainstream the implementation of the SCM according to the policy and good practise	0% Compliance with steps to mainstream the implementation of the SCM according to the policy and good practise	100% Compliance with steps to mainstream the implementation of the SCM according to the policy and good practise	100% Compliance with steps to mainstream the implementation of the SCM according to the policy and good practise	100% Compliance with steps to mainstream the implementation of the SCM according to the policy and good practise	100% Compliance with steps to mainstream the implementation of the SCM according to the policy and good practise	100% Compliance with steps to mainstream the implementation of the SCM according to the policy and good practise	Report on steps to mainstream the implementation of the SCM according to the policy and good practise	Restructure the unit, appointment of one staff member in key position, Channeling annual tenders to the unit	3	Ongoing, Senior buyer has been appointed, Contracts management Officer has been advertised. CPS procurement and annual tenders are processed centrally. Procurements of other departments are extracted from historical transactions
	Annual financial statements that are 100% compliant to GRAP Standards as per gazette issued by National Treasury	OEG 1.1.15: % of Annual financial statements that are 100% compliant to GRAP Standards as per gazette issued by National Treasury	% of Annual financial statements that are 100% compliant to GRAP Standards as per gazette issued by National Treasury	100% of Annual financial statements that are 100% compliant to GRAP Standards as per gazette issued by National Treasury	100% of Annual financial statements that are 100% compliant to GRAP Standards as per gazette issued by National Treasury	100% of Annual financial statements that are 100% compliant to GRAP Standards as per gazette issued by National Treasury	100% of Annual financial statements that are 100% compliant to GRAP Standards as per gazette issued by National Treasury	100% of Annual financial statements that are 100% compliant to GRAP Standards as per gazette issued by National Treasury	Audit report	Awaiting Audit Outcomes	N/A	Service of an accounting Firm are used to review the AFS to ensure compliance
	Increase in the number of finance employees that are competent (SETA certification) on minimum	OEG 1.1.16: Increase in the number of finance employees that are competent (SETA certification) on minimum	4 finance employees that are competent (SETA certification) on minimum				7 finance employees that are competent (SETA certification) on minimum	7 finance employees that are competent (SETA certification) on minimum	HR Finance Skills reports	Not achieved, due to changes in registration times of the institution	N/A	Finance will be on MFMA training to meet MFMA competency levels
	Manage Systems and procedures to ensure all creditors paid within legislated or contractual deadlines	OEG 1.1.17: % Creditors paid within legislated 30 days or contractual deadlines	100% Creditors paid within legislated or contractual deadlines	100% Creditors paid within legislated or contractual deadlines	100% Creditors paid within legislated or contractual deadlines	100% Creditors paid within legislated or contractual deadlines	100% Creditors paid within legislated or contractual deadlines	100% Creditors paid within legislated or contractual deadlines	Outstanding Creditors Report	Monthly Creditors Report aging reflects 30 day status. Achieved, Payments are done in 30days	5	Cashflow forecasting and account payments be done as a continuous exercise to ensure timeous payments
	Manage Systems and procedures to ensure all Councillors and employees are paid according to legislation, policy and conditions within legislated or contractual deadlines	OEG 1.1.18: % of councillors and employees are paid according to legislation, policy and conditions within legislated or contractual deadlines	100% of councillors and employees are paid according to legislation, policy and conditions within legislated or contractual deadlines	100% of councillors and employees are paid according to legislation, policy and conditions within legislated or contractual deadlines	100% of councillors and employees are paid according to legislation, policy and conditions within legislated or contractual deadlines	100% of councillors and employees are paid according to legislation, policy and conditions within legislated or contractual deadlines	100% of councillors and employees are paid according to legislation, policy and conditions within legislated or contractual deadlines	100% of councillors and employees are paid according to legislation, policy and conditions within legislated or contractual deadlines	Monthly payroll reports	All Salary Transfers were done on Council Approved dates	5	Creation of sufficient provision for payment of fixed commitments

Institutional Objective	Strategic Initiatives	Indicator	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Means of Verification	Actual Performance on Annual Targets	Score	Remedial Action
	Manage Systems and procedures to ensure all Statutory Payments (PAYE, VAT, Levies, etc) are paid according to legislation, policy and conditions within legislated or contractual deadlines	OEG 1.1.19: % of Statutory Payments (PAYE, VAT, Levies, etc) paid according to legislation, policy and conditions within legislated or contractual deadlines	100% of Statutory Payments (PAYE, VAT, Levies, etc) paid according to legislation, policy and conditions within legislated or contractual deadlines	100% of Statutory Payments (PAYE, VAT, Levies, etc) paid according to legislation, policy and conditions within legislated or contractual deadlines	100% of Statutory Payments (PAYE, VAT, Levies, etc) paid according to legislation, policy and conditions within legislated or contractual deadlines	100% of Statutory Payments (PAYE, VAT, Levies, etc) paid according to legislation, policy and conditions within legislated or contractual deadlines	100% of Statutory Payments (PAYE, VAT, Levies, etc) paid according to legislation, policy and conditions within legislated or contractual deadlines	100% of Statutory Payments (PAYE, VAT, Levies, etc) paid according to legislation, policy and conditions within legislated or contractual deadlines	Statutory payments return forms	All statutory Payments are on due date	5	Submission of Monthly Returns and perform half yearly reviews
	Put in place asset management system with fixed asset register in place as prescribed by GRAP and the MFMA	OEG 1.1.20: % progress towards asset management system with fixed asset register in place as prescribed by GRAP and the MFMA	80% progress towards asset management system with fixed asset register in place as prescribed by GRAP and the MFMA	85% progress towards asset management system with fixed asset register in place as prescribed by GRAP and the MFMA	90% progress towards asset management system with fixed asset register in place as prescribed by GRAP and the MFMA	95% progress towards asset management system with fixed asset register in place as prescribed by GRAP and the MFMA	100% progress towards asset management system with fixed asset register in place as prescribed by GRAP and the MFMA	100% progress towards asset management system with fixed asset register in place as prescribed by GRAP and the MFMA	Asset Management System report and fixed asset register	60% awaiting Service Provider to reformat register layout to upload current data	3	Activation of MunSoft Module Fixed Asset Module
	Account for, manage, and insure all municipality assets of the municipality managed	OEG 1.1.21: % of assets of the municipality accounted for, insured and managed	100% assets of the municipality accounted for, insured and managed	100% assets of the municipality accounted for, insured and managed	100% assets of the municipality accounted for, insured and managed	100% assets of the municipality accounted for, insured and managed	100% assets of the municipality accounted for, insured and managed	100% assets of the municipality accounted for, insured and managed	Insurance Portfolio and claims records	Premium Assessment done, documents signed and monthly payments done	4	Adequate Insurance for all assets and disposal of obsolete
	Reduction of stock losses	OEG 1.1.22: % Reduction of stock losses	R137 006 value of stock losses	1% Reduction of stock losses	2% Reduction of stock losses	3% Reduction of stock losses	4% Reduction of stock losses	5% Reduction of stock losses	Stock losses reports	Reduced from R18,000 to R5,879	5	Maintenance of economic stocklevels
	Increased use of mSCOA financial modules or system	OEG 1.1.23: No. of elements of mSCOA financial modules of system utilised	0 elements of mSCOA financial modules of system utilised	1 elements of mSCOA financial modules of system utilised	2 elements of mSCOA financial modules of system utilised	3 elements of mSCOA financial modules of system utilised	4 elements of mSCOA financial modules of system utilised	4 elements of mSCOA financial modules of system utilised	mSCOA modules utilisation reports	Achieved with only SCM, Fixed Asset of the mandatory modules except Costing	3	Activation of SCM and Fixed asset modules and
	Increase in number of staff trained to effectively use the mSCOA financial system	OEG 1.1.24: No. of staff trained to effectively use the mSCOA financial system	0 staff trained to effectively use the mSCOA financial system					10 staff trained to effectively use the mSCOA financial system	mSCOA utilisation competency assessment	Approx. 12 staff members, finance and other departments	4	Facilitate mSCOA Training of staff in other directorates
	Develop a framework for financial delegations of authority in place as prescribed by the MFMA	OEG 1.1.25: Framework for financial delegations of authority in place as prescribed by the MFMA	No framework for financial delegations of authority in place as prescribed by the MFMA	Framework for Financial Delegations of Authority				Framework for Financial Delegations of Authority	Framework for Financial Delegations of Authority	Framework not done but financial delegation renewed	3	Alignment of delegation authority
	Decrease in the number of qualification matters and matter of emphasis raised by the Auditor-General relating to finance to obtain a unqualified audit	OEG 1.1.26: No. of qualification matters and matter of emphasis raised by the Auditor-General relating to finance to obtain a unqualified audit	Qualified audit report	0 matters and matter of emphasis raised by the Auditor-General relating to finance to obtain a unqualified audit	0 matters and matter of emphasis raised by the Auditor-General relating to finance to obtain a unqualified audit	0 matters and matter of emphasis raised by the Auditor-General relating to finance to obtain a unqualified audit	0 matters and matter of emphasis raised by the Auditor-General relating to finance to obtain a unqualified audit	Unqualified audit report	Audit report	Audit action plan implemented to address qualifications on impairment of receivables and irregular Expenditure	4	- Irregular Exp. Ongoing, Analyse to identify items for which Tenders are to be invited - Impairment, policy developed and model is built
Improve financial viability of the municipality	Identify alternative sources of funding & develop additional revenue generating strategies	FVM 2.1.1: % Target Budget realized	Inadequate municipal operational budget - R32m	Business Plans of all service delivery projects	30% Budget realised	50% Budget realised	<R100m budget	<R100m Budget	Memo, Municipal account	Not achieved,	2	Ongoing, debt funding limited and the rest will be through Revenue enhancement Strategy
	Engage financial advisory services	FVM 2.1.2: Financial advisors in place	Ad hoc engagement	Engage & Contract financial advisors				Financial advisors in place	Contract / SLA	A2A Kopano to assess budget/IDP alignment and irregular Expenditure	3	Ongoing on accounting matters

Institutional Objective	Strategic Initiatives	Indicator	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Means of Verification	Actual Performance on Annual Targets	Score	Remedial Action
	Increase budget provision for asset repairs and maintenance	FVM 2.1.3: % Increased budget provision for asset repairs and maintenance	R 8 069 843				1% increased budget provision for asset repairs and maintenance	1% increased budget provision for asset repairs and maintenance	Asset repairs & maintenance budget	70% achievement, through release and reallocation of funds	2	Awaiting response from COGTA to declare some of the grant to be used for maintenance and continue with internal fund allocations
	Ensure optimal billing for services	FVM 2.1.4: No. of Meter reading reports	0 reports	3 reports	3 reports	3 reports	3 reports	12 reports	Meter reading reports	Total meters read increased from 146778 to 15359	5	Implementation of the meter audit report.
	Revenue collection improvement	FVM 2.1.5: % Revenue collection efficiency	82% revenue collection efficiency	83% revenue collection efficiency	84% revenue collection efficiency	86% revenue collection efficiency	88% revenue collection efficiency	88% revenue collection efficiency	Revenue collection reports	Collection Rate increased from 82% to 89%	5	Intensification of the collection effort and follow up with service provider
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION												
Provide sustainable, efficient, cost effective, adequate and affordable services to all our citizens	Improve coordination & stakeholder management	CAS 2.2.7: % well coordinated events & stakeholder engagements	Uncoordinated events & engagements	100% well coordinated events & stakeholder engagements	100% well coordinated events & stakeholder engagements	100% well coordinated events & stakeholder engagements	100% well coordinated events & stakeholder engagements	100% well coordinated events & stakeholder engagements	Coordinated events & stakeholder engagements reports	The municipality has a number of forums to assist in co-ordinating stakeholder engagements and these are utilised to the fullest	3	
	Make noise and be heard for each deliverable milestone	CAS 2.2.8: % of milestones broadcast	Low % of milestones broadcast	100% of milestones broadcast	100% of milestones broadcast	100% of milestones broadcast	100% of milestones broadcast	100% of milestones broadcast	Milestones broadcast report	This is done through the municipal newsletter and the SBDM newsletter and other media	3	
		CAS 2.2.9: No. of Programmes to minimise the socio-economic impact of HIV/AIDS in place								All programmes have been carried out	3	

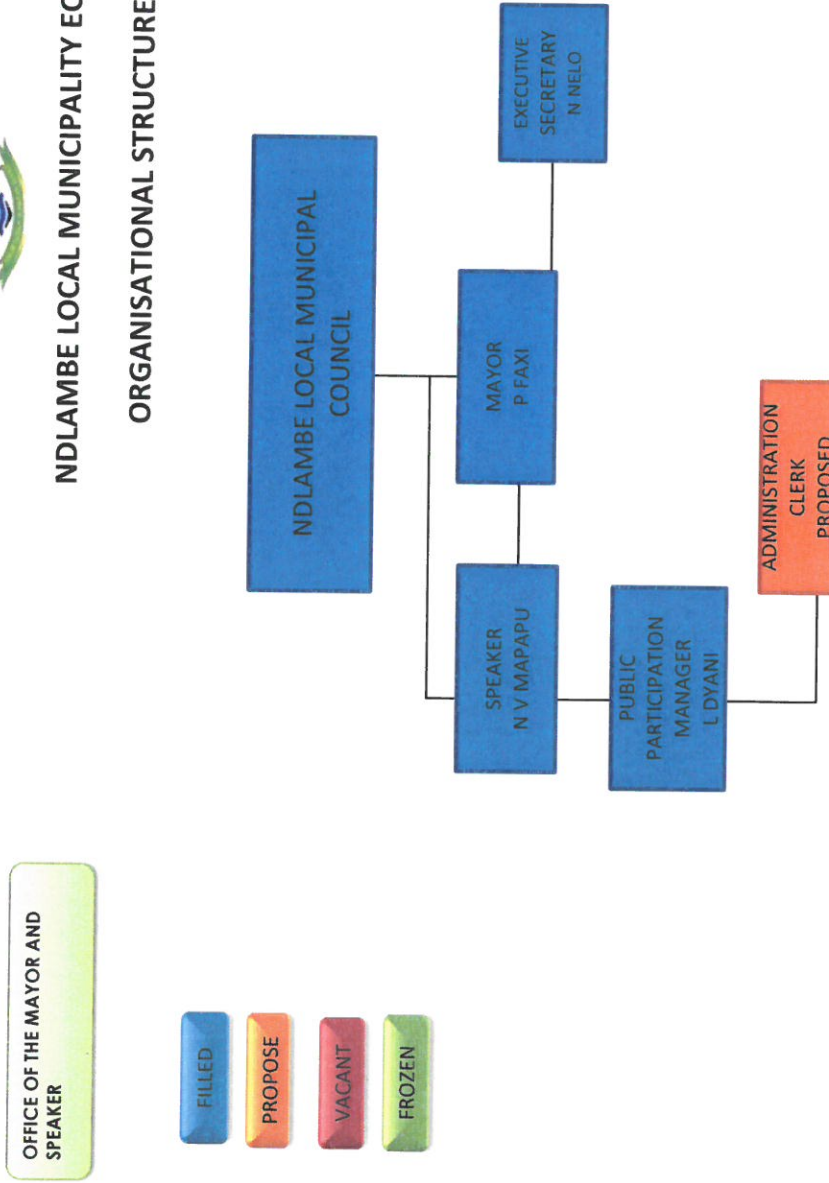
ANNEXURE A

NDLAMBE ORGANOGRAM

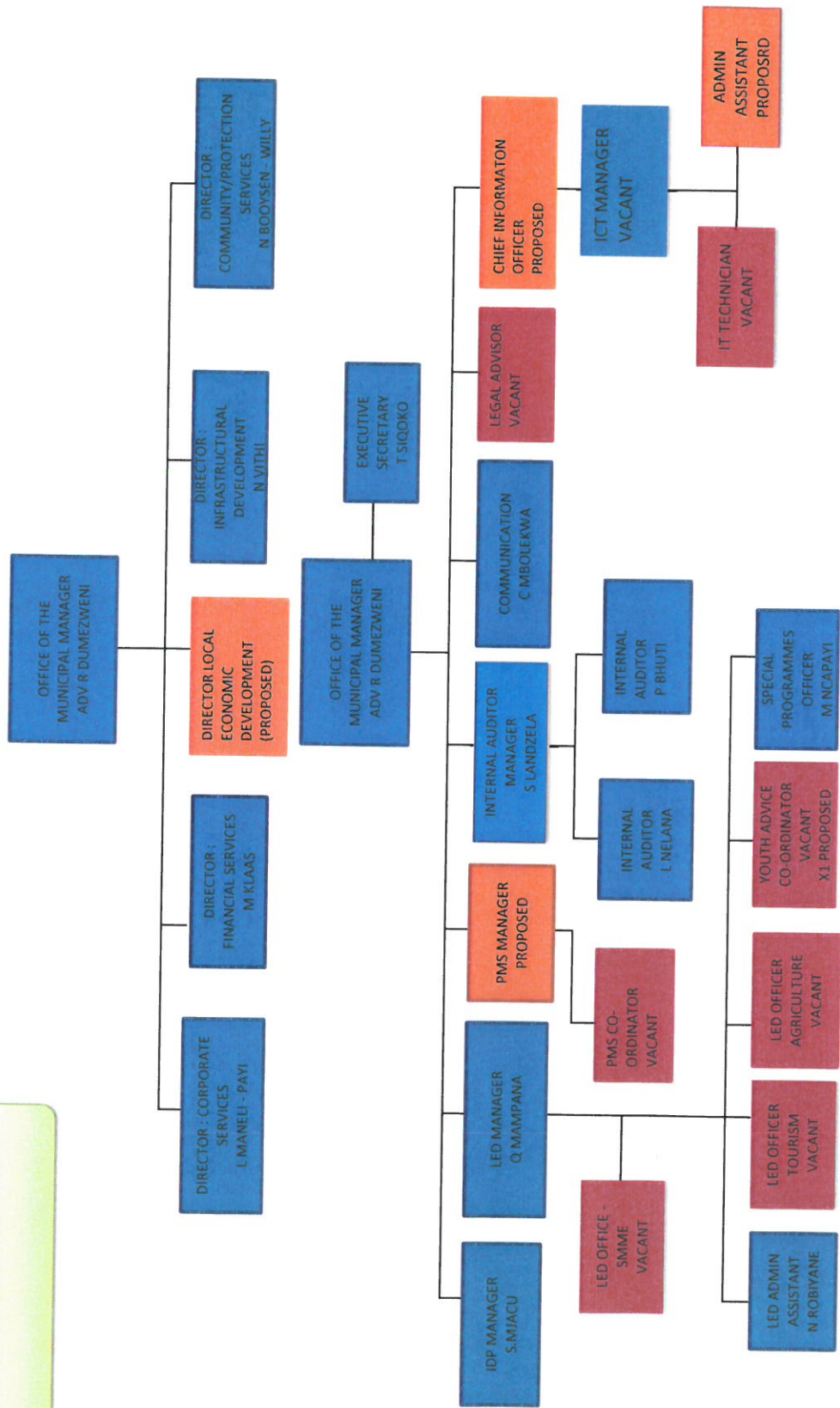


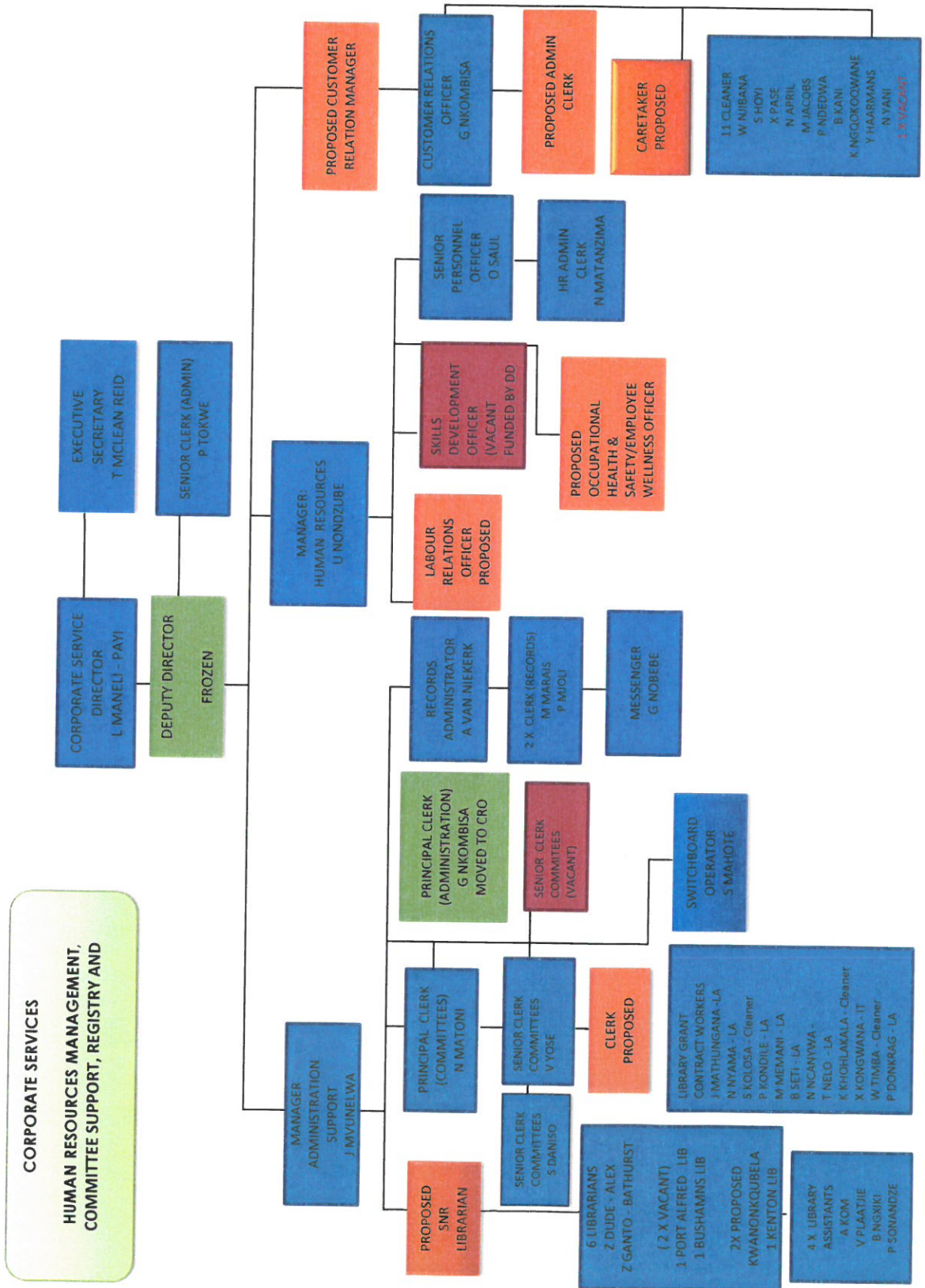
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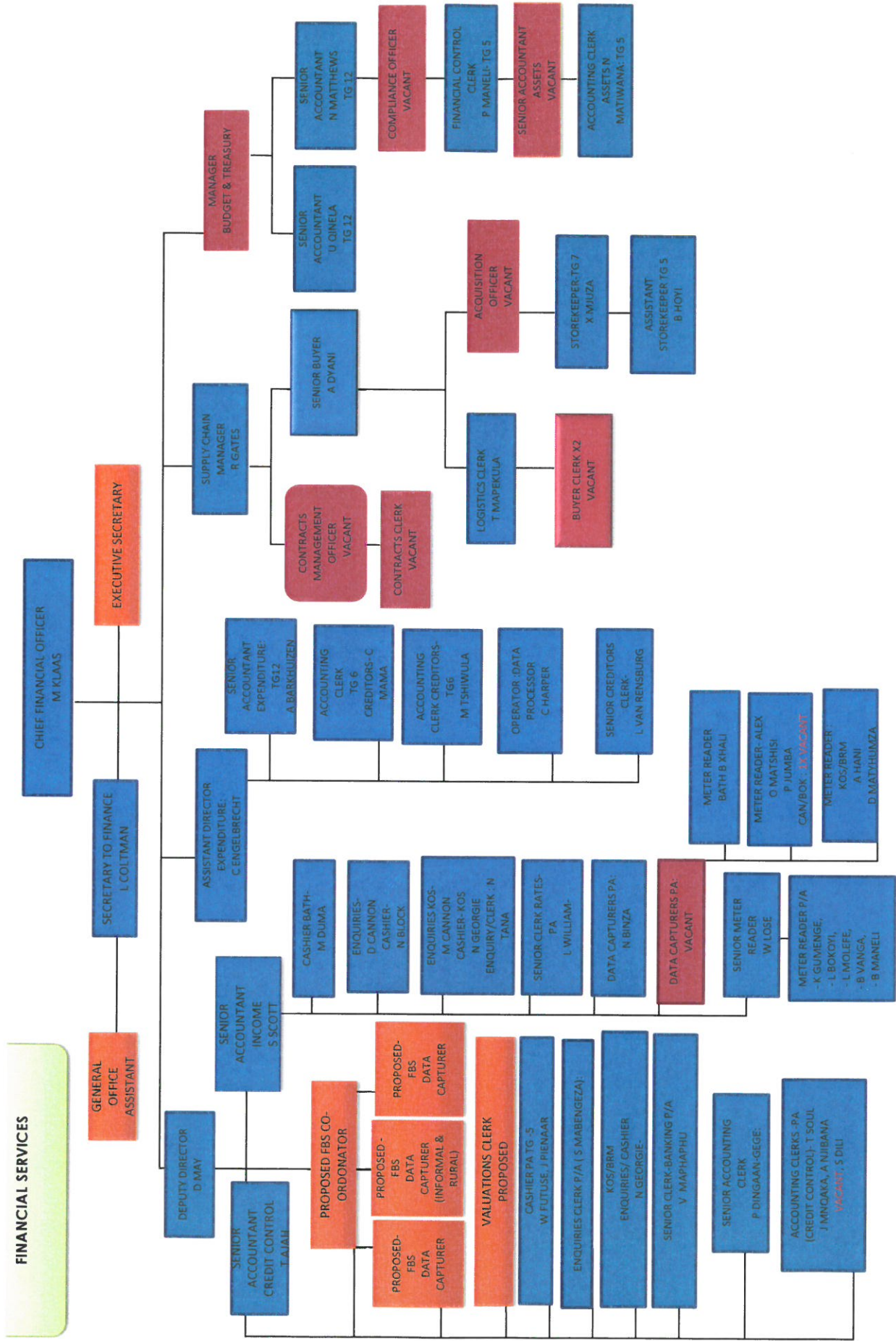
ORGANISATIONAL STRUCTURE

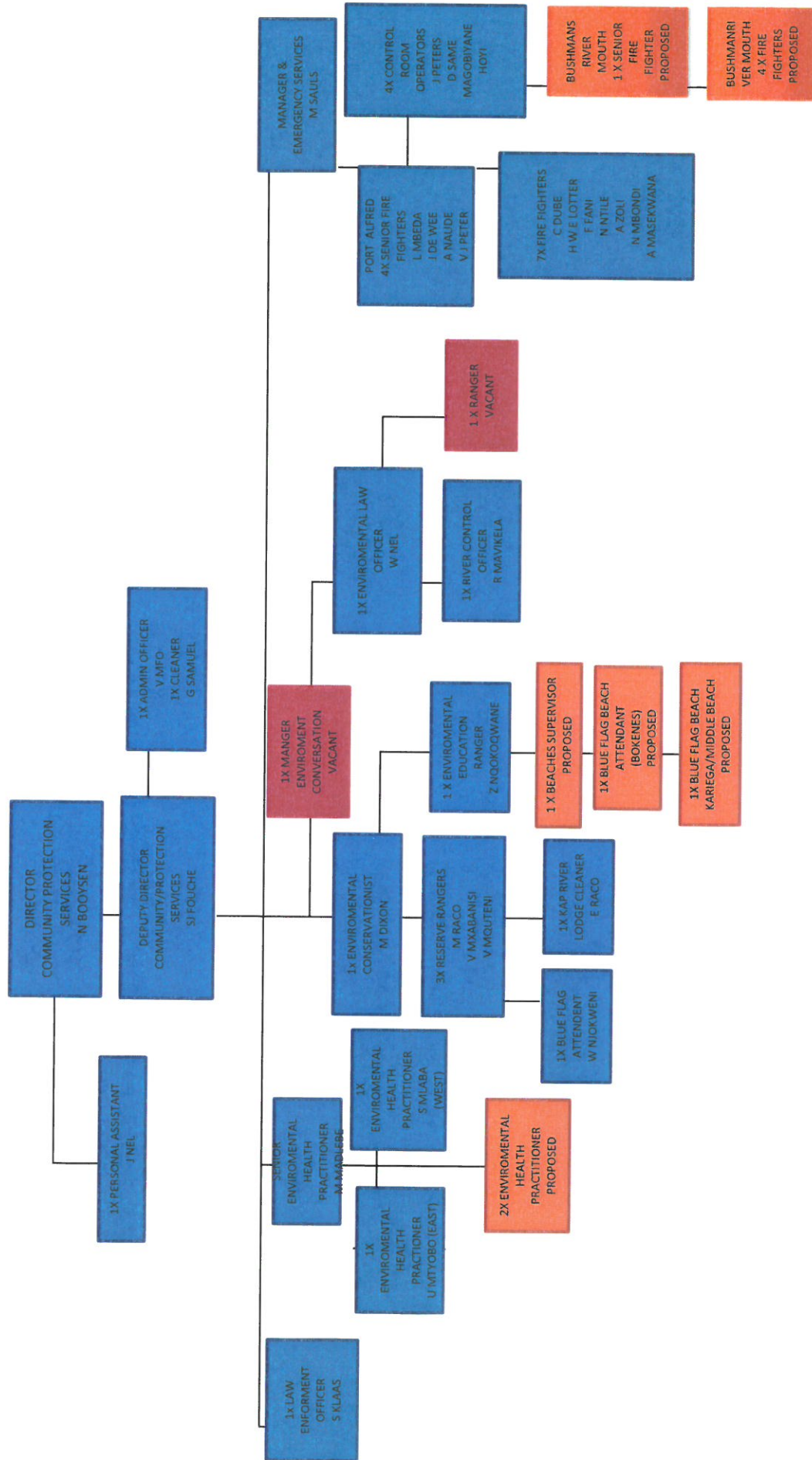


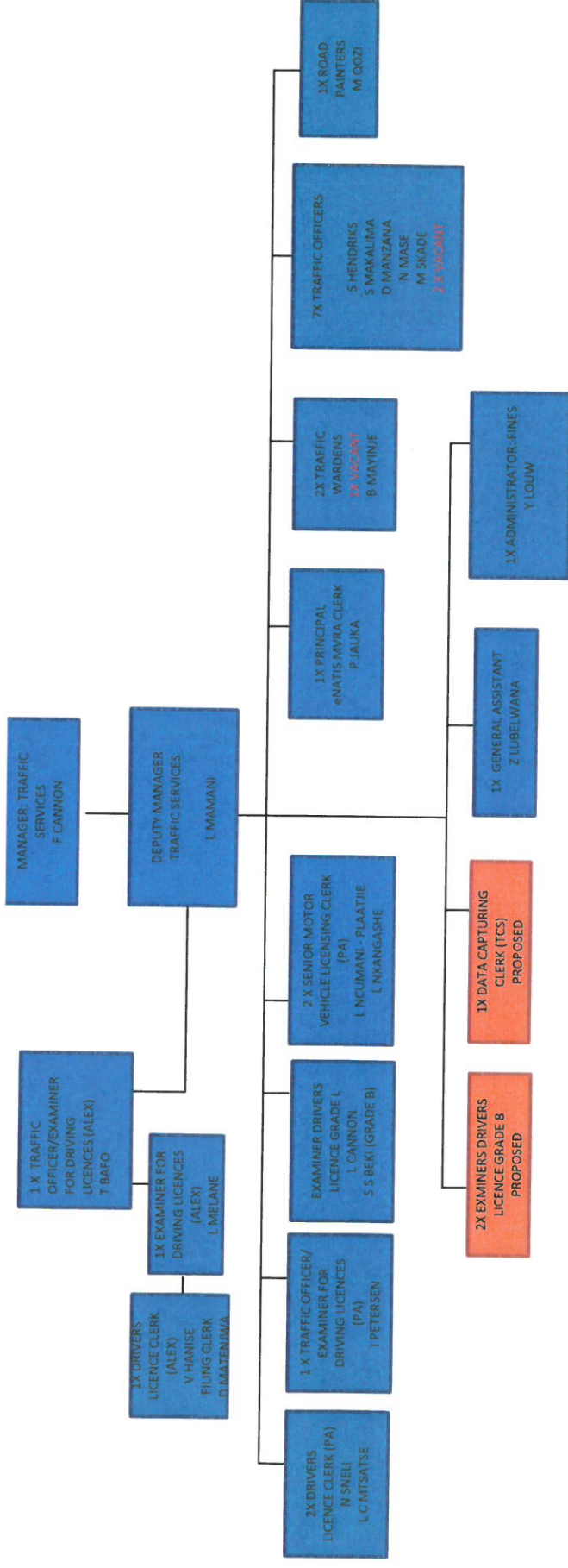
OFFICE OF THE MUNICIPAL MANAGER





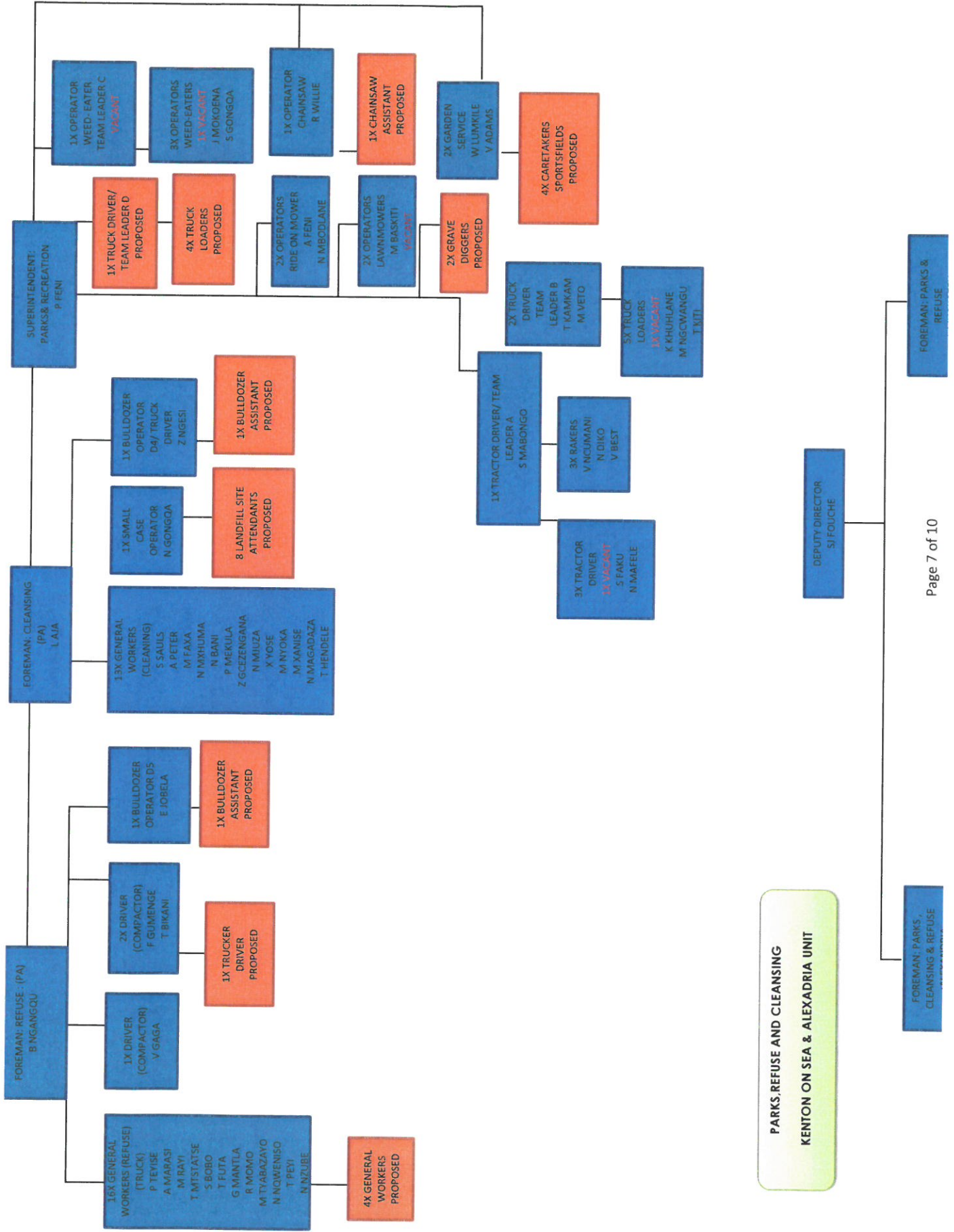


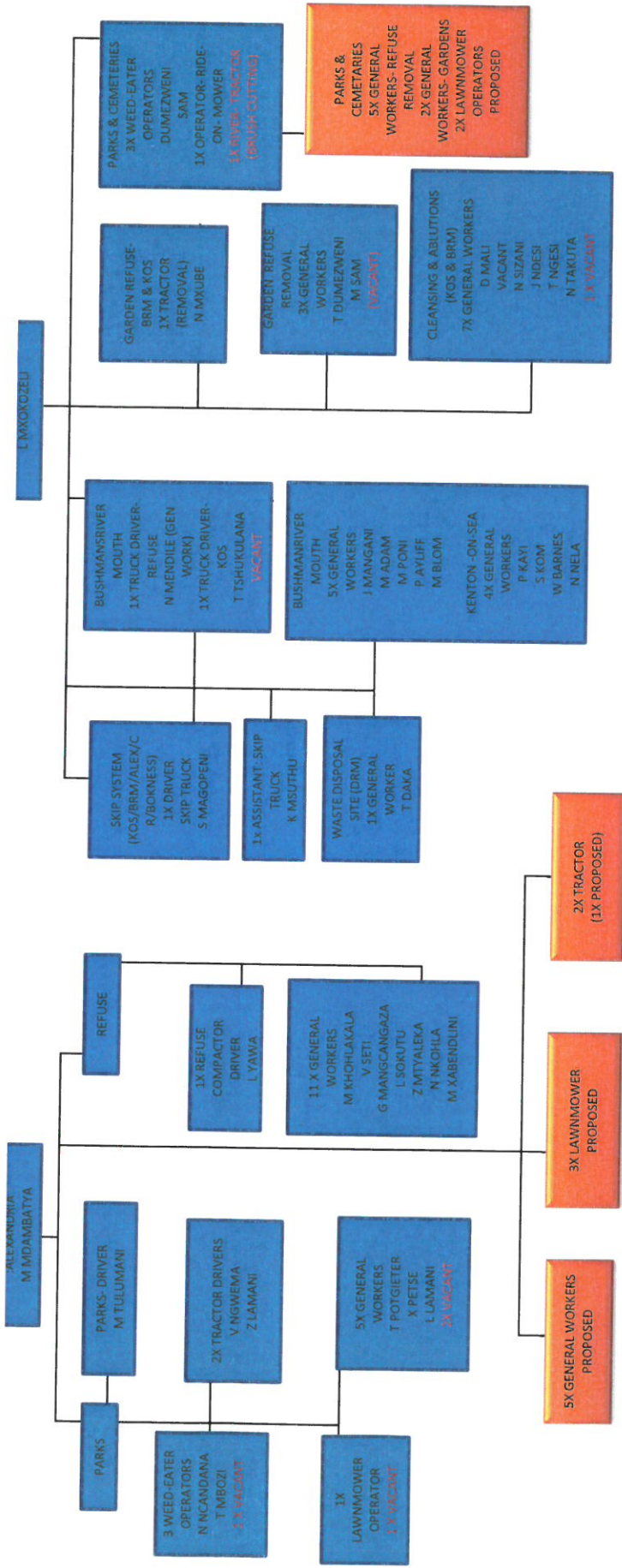




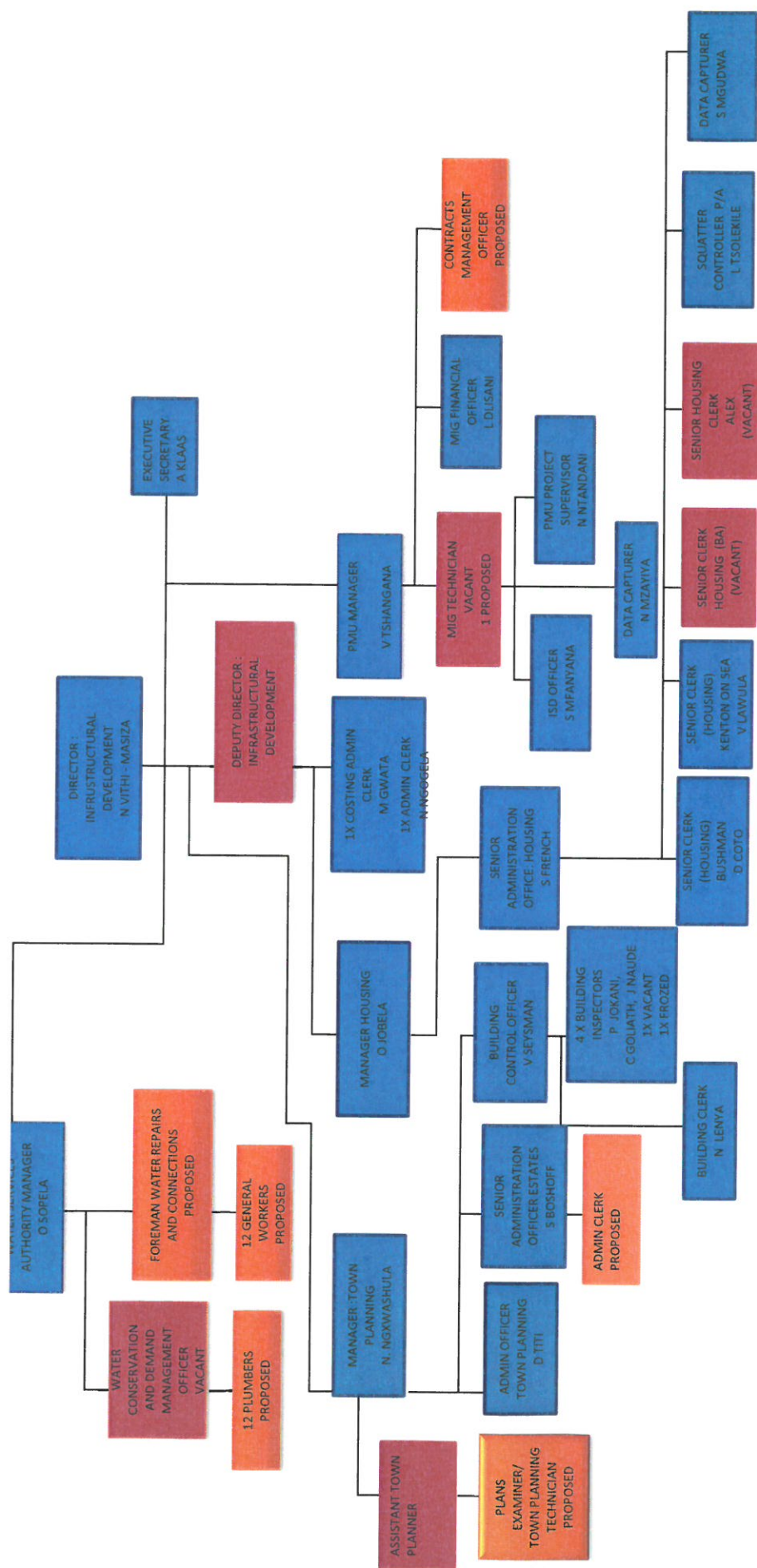
REFUSE AND CLEANSING
PORT ALFRED UNIT

DEPUTY DIRECTOR
SITOUCHE

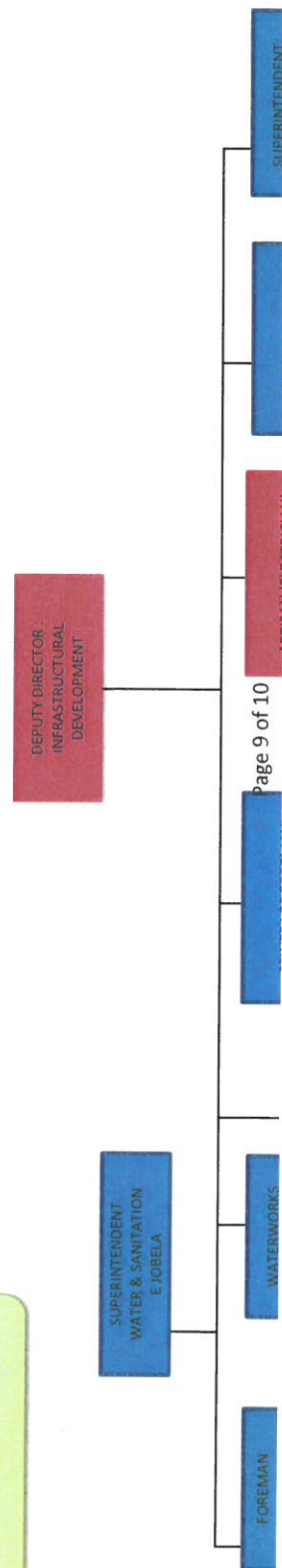


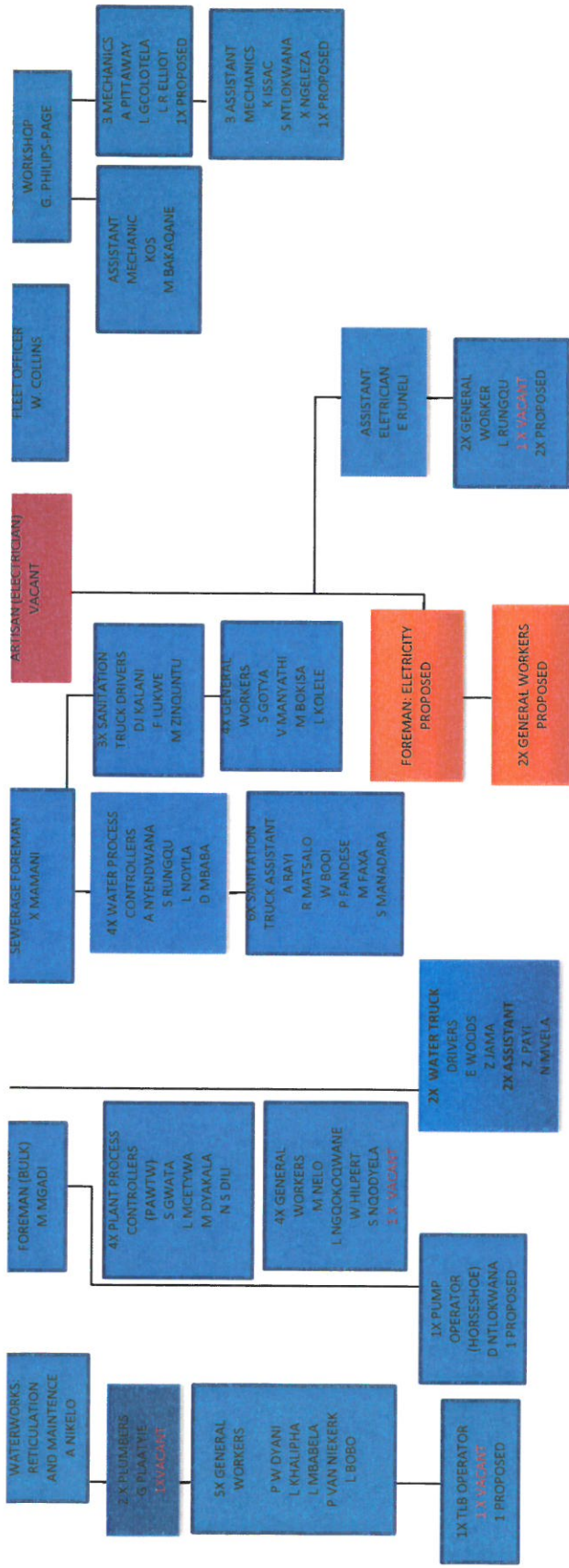


INFRASTRUCTURAL DEVELOPMENT
ADMINISTRATION, TOWN
PLANNING, HOUSING AND PMU - PORT
ALFRED UNIT



INFRASTRUCTURAL DEVELOPMENT
WATER WORKS, SANITATION, ELECTRICITY,
FLEET AND WORKSHOP





ANNEXURE B

AUDITOR GENERAL SA AUDIT REPORT 2016/2017

Ndlambe Municipality

Audit Report

For the year ended 30 June 2017

Report of the auditor-general to the Eastern Cape Provincial Legislature and the council on the Ndlambe Municipality

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Ndlambe Municipality set as Annexure C, which comprise the statement of financial position as at 30 June 2017, and the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget information with actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects of the matters described in the basis for qualified opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Ndlambe Municipality as at 30 June 2017, and financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2015 (Act No. 01 of 2015) (DoRA).

Basis for qualified opinion

Irregular expenditure

3. The municipality did not have adequate systems in place to identify and disclose all irregular expenditure incurred during the year, as required by section 125(2)(d)(i) of the MFMA. The irregular expenditure disclosed in note 43 to the financial statements is understated as a result of the poor systems. Due to the lack of systems, it was impracticable for me to determine the full extent of the understatement of irregular expenditure disclosed. Consequently, I was unable to determine the adjustments to the current and prior year irregular expenditure of R368.6 million (2016:R284.6 million).

Receivables

4. I was unable to obtain sufficient appropriate audit evidence for the impairment allowance disclosed in notes 4 and 5 to the financial statements due to non-availability of the estimates and assumptions used in the computation of the impairment allowance. I was unable to confirm the appropriateness of the impairment allowance by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the exchange and non-exchange transactions stated at R21 million and R16 million respectively in the financial statements and the debt impairment of R22 million as disclosed in the statement of financial performance.

Context for the opinion

5. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this report.
6. I am independent of the municipality in accordance with the International Ethics Standards

Board for Accountants' *Code of ethics for professional accountants* (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matters

8. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Material losses

9. As disclosed in note 50 to the financial statements, material electricity losses of R5,6 million (2016: R6,8 million) was incurred, which represents 13,25% (2016: 17,24%) of total electricity purchased. The losses were due to meter reading losses and faulty underground infrastructure.
10. As disclosed in note 50 to the financial statements, material water losses to the amount of R12 million (2016: R15 million) was incurred, which represents 34,4% (2016: 40,4%) of total water purchased. The losses were due to meter reading inefficiencies and faulty meters.

Restatements of corresponding figures

11. As disclosed in note 46 to the financial statements, the corresponding figures for 30 June 2016 have been restated as a result of errors discovered by management during 2017 in the financial statements of the municipality at, and for the year ended 30 June 2017.

Unauthorised expenditure

12. As disclosed in note 42 to the financial statements, unauthorised expenditure of R97.6 million was incurred due to overspending of the operational and capital budget at vote level.

Other matters

Unaudited disclosure notes

13. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

14. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with SA Standards of GRAP and the requirements of the MFMA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
15. In preparing the financial statements, the accounting officer is responsible for assessing the Ndlambe Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the intention is to liquidate the municipality or cease operations, or there is no realistic

alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

16. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
17. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

18. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
19. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
20. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priorities presented in the annual performance report of the municipality for the year ended 30 June 2017:

Development priorities	Pages in the annual performance report
Key performance area (KPA) 1 - basic service delivery	73 - 87
KPA 3 - local economic development	104 - 107

21. I performed procedures to determine whether the reported performance information was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
22. The material findings in respect of the usefulness and reliability of the selected development priorities are as follows:

Key performance area 1 - basic service delivery (BSD)

Key performance area 1 - basic service delivery (BSD)

Usefulness

Consistency

Objective BSD 10: Provide recreational and sport facilities to communities and ensure access to well-maintained facilities is not reported

23. The strategic objective was not reported while the planned strategic objective was approved in the service delivery agreement. This is not in line with the requirements of section 41(c) of the Municipal Systems Act, 2000 (Act No. 32 of 2000).

Indicators not consistent

24. The indicators and targets were not reported while the indicator and target was approved service delivery agreement. This is not in line with the requirements of the Municipal Systems Act, 2000 (Act No. 32 of 2000) of the Municipal Finance Management Act.

Indicator no.	Indicator	Target
BSD10.1	No. of sports fields built	100%
BSD10.3	Monitor implementation of maintenance of recreational and sports facilities against expenditure targets for this financial year	100%
BSD11.2	Monitor implementation of maintenance plan against expenditure targets for the current financial year	100% Monitoring
BSD13.3	Protection and management of all natural resources according to the targets set for each operational manager	100%
BSD17.2	Monitor implementation against the Draft Fire and Emergency Plan	100% of monitoring Fire and Emergency Plan

Measurability

25. The source information, evidence and calculation for the achievement of the planned indicator were not clearly defined, as required by the Framework for Managing Programme Performance Information (FMPPI).
26. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not adequately designed as there was no regular reporting and indicator descriptions, as required by the FMPPI,
- The indicators below were not well defined and not verifiable. Targets relating to these indicators were not specific and not measurable.

Indicator	indicators	Target
BSD1.1	A revised Water Safety Plan in place and implemented for each water supply system	85% compliance
BSD1.3	Supply sufficient potable water that meets national compliance standards.	100%
BSD 1.5	% increase in Blue Drop Status	100%
BSD2.2	Water conservation and water demand management business plan in place and implemented	100%
BSD3.2	Generating funding to provide for 5% increase in waterborne sewerage	MIG Funding & Eradication Quantum
BSD3.6	% increase in Green Drop status	100%
BSD4.1	Roads and Storm Water Management Plan in place and implemented	15%
BSD4.2	Improved implementation of roads and storm water against % of budget expended	100%
BSD5.1	Measure implementation against the Housing Sector Operational Plan for the year under review.	100% allocation
BSD6.1	Monitor the provision of electricity according to the existing Electricity Maintenance Plan	100%on draft of maintenance plan
BSD7.1	Improved turnaround time on approval of land use applications within statutory frameworks	100%
BSD7.3	Reduction in number of land use practices/decisions that are not aligned with the applicable regulatory framework	100%
BSD9.1	Improved turnaround time for approving qualifying building plans within statutory timeframes measured against meeting agenda and minutes of the Building Committee	100%
BSD9.2	Improved law enforcement of buildings that are not complying to legislative requirements	100%
BSD10.3	Monitor implementation of maintenance of recreational and sports facilities against expenditure targets for this financial year	100%
BSD11.2	Monitor implementation of maintenance plan against expenditure targets for the current financial year	100%monitoring
BSD13.3	Protection and management of all natural resources according to the targets set for each operational manager	100%
BSD14.1	Measure implementation against compliance with standards as provided in national legislation	To run an effective Municipal Health services

BSD 15.1	Required traffic management measures are implemented according to legislation	100%
BSD17.2	Monitor implementation against the Draft Fire and Emergency Plan	100% of monitoring fire and emergency plan

Relevance

27. The indicators did not relate to the strategic objective of promoting and supporting enterprise development to stimulate economic growth and development that will result in the creation of jobs which it aimed to achieve, as required by the FMPPI.

Indicator no.	Indicator	T arget
BSD10.2	Draft Strategy and Implementation Plan for the provision of access to well-maintained sports and recreational facilities are in place	Strategy and plan in place
BSD11.1	Draft Maintenance Plan in place for all cemeteries	100% Monitoring
BSD17.1	Draft Fire Emergency Implementation Plan in place	Fire and Emergency Implementation Plan in Place

Reliability

28. I was unable to obtain sufficient appropriate evidence for the actual reported performance of the indicators detailed in the table below. This was due to limitations placed on the scope of my work. Consequently, I was unable to determine if any adjustments were required to the reported achievements, for the indicators as detailed in the table below:

Indicator no.	Indicator	Target
BSD1.1	A revised Water Safety Plan in place and implemented for each water supply system.	85% compliant.
BSD1.2	% increase of indigent households having access to free basic potable water	100%
BSD1.3	Supply sufficient potable water that meets national compliance standards.	97%
BSD1.4	% reduction in number of households without potable water	100%
BSD1.5	% increase in Blue Drop Status	100%
BSD2.1	Annual % decrease in water losses	100%
BSD2.2	Water conservation and water demand management business plan in place and implemented	100%
BSD3.1	% increase of waterborne sewerage installation	100%

BSD3.2	Generating funding to provide for 5% increase in waterborne sewerage	MIG Funding & Bucket Eradication Quantum
BSD3.3	% increase of households with access to sanitation services	100%
BSD3.4	% increase of indigent household with access to free basic sanitation services	100%
BSD3.6	% increase in Green Drop status	100%
BSD4.1	Roads and Storm Water Management Plan in place and implemented	15%
BSD4.2	Improved implementation of roads and storm water against % of budget expended	100% of total alignment utilising 100% budget allocation
BSD5.1	Measure implementation against the Housing Sector Operational Plan for the year under review.	100% Allocation
BSD6.1	Monitor the provision of electricity according to the existing Electricity Maintenance Plan	100%on draft of maintenance plan
BSD6.3	% increase of households with access to electricity in direct proportion to housing projects implemented	100% of formal urban households to have access to electricity
BSD6.4	% increase of indigent households with access to basic electricity service in direct proportion to housing projects coming on-line -	100% of formal urban households to have access to electricity
BSD6.5	% increase of indigent households with access to free alternative energy sources	Register for the distribution of gel stoves and fuel to all indigent households to be expanded by 5% per quarter.
BSD7.1	Improved turnaround time on approval of land use applications within statutory frameworks	Improved turnaround time on approval of land use applications within statutory frameworks
BSD7.3	Reduction in number of land use practices/decisions that are not aligned with the applicable regulatory framework	100%
BSD9.1	Improved turnaround time for approving qualifying building plans within statutory timeframes measured against meeting agenda and minutes of the Building Committee	100%
BSD9.2	Improved law enforcement of buildings that are not complying to legislative requirements	100%
BSD10.1	No Reported Indicator measures per APR	100%

BSD10.2	Draft Strategy and Implementation Plan for the provision of access to well-maintained sports and recreational facilities are in place	Strategy and plan in place
BSD10.3	No Reported Indicator measures per APR	100%
BSD11.1	Draft Maintenance Plan in place for all cemeteries	100% Monitoring
BSD11.2	No Reported Indicator measures per APR	100% Monitoring
BSD13.2	Obtain and maintain Blue Flag International standards of all Blue Flag Beaches	100%
BSD13.3	No Reported Indicator measures per APR	100%
BSD14:1	Measure implementation against compliance with standards as provided in national legislation	To run an effective Municipal Health services
BSD15:1	Required traffic management measures are implemented according to legislation	100%
BSD17.1	Draft Fire Emergency Implementation Plan in place	Fire and Emergency Implementation Plan in Place
BSD17.2	No Reported Indicator measures per APR	100% of monitoring fire and emergency plan

Key performance area 3 - local economic development (LED)

Usefulness

Consistency

29. The targets were reported in the annual performance report while the targets were not included in the service delivery agreement. This is not in line with the requirements of section 41(c) of the Municipal Systems Act, 2000 (Act No. 32 of 2000).

Targets not consistent

Indicator no.	Indicator	Target
LED1.1	Draft Enterprise Development Strategy and plan in place	Enterprise Development Strategy
LED1.2	Measures implemented against targets set in Draft Enterprise Development Strategy	100%
LED2.1	Agricultural Development Strategy and plan in place	Agricultural Development Strategy and plan in place
LED2.2	Measures implemented for agricultural development against targets set in Agricultural Development Plan	100%
LED3.1	Tourism Strategy and Plan in place	Tourism Strategy and Plan in place
LED3.2	Measure the impact of the tourism strategy and plan against target set in the strategy and plan	Impact made by tourist on local economy
LED5.2	No of jobs created in accordance with CWP	500

Measurability

30. The evidence and method of calculation for the achievement of the planned indicator was not clearly defined, as required by the Framework for Managing Programme Performance Information (FMPPI).
31. The targets for these indicators are not specific in clearly identifying the nature and required level of performance, are not measurable and did not specify the period or deadline for delivery during the planning process, as required by the FMPPI.
32. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not adequately designed as the municipality does not have a clear indication of the required performance, as required by the FMPPI.

The indicators below were not well defined and not verifiable. Targets relating to these indicators were not specific and not measurable.

Indicator no.	Indicator	Target
LED1.2	Measures implemented against targets set in Draft Enterprise Development Strategy	100%
LED2.2	Measures implemented for agricultural development against targets set in Agricultural Development Plan	100%
LED3.2	Measure the impact of the tourism strategy and plan against target set in the strategy and plan	Impact made by tourist on local economy

Relevance

33. The indicators did not relate to the strategic objective of promoting and supporting enterprise development to stimulate economic growth and development that will result in the creation of jobs which it aimed to achieve, as required by the FMPPI.

Indicator no.	indicator	Target
LED1.1	Draft Enterprise Development Strategy and plan in place	Enterprise Development Strategy
LED1.2	Measures implemented against targets set in Draft Enterprise Development Strategy	100%

Reliability

- 34.1 was unable to obtain sufficient appropriate audit evidence for the reported achievement of target per the underlying records. This was due to lack of proper supporting evidence for the reported performance. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievement of the following indicators:

Indicator no.	Indicator	Target
---------------	-----------	--------

LED2.2	Measures implemented for agricultural development against targets set in Agricultural Development Plan	100%
LED3.2	Measure the impact of the tourism strategy and plan against target set in the strategy and plan	Impact made by tourist on local economy
LED5.2	No of jobs created in accordance with CWP	500

Indicator: Tourism Strategy and Plan in place

35. Reported achievement did not agree with the evidence provided and therefore is not valid, accurate and complete.
36. The reported achievement for the target tourism strategy and plan in place was misstated as the evidence provided indicated that the strategy was not yet approved and not target met as reported.

Other matter

37. I draw attention to the matter below.

Achievement of planned targets

38. Refer to the annual performance report on page(s) x to x; x to x for information on the achievement of planned targets for the year and explanations provided for the under achievement of a number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs [x; x; x] of this report.

Report on audit of compliance with legislation

Introduction and scope

39. In accordance with the PAA and the general notice issued in terms thereof I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

40. The material findings on compliance with specific matters in key legislations are as follows:

Revenue management

41. An effective system of internal control for debtors/revenue was not in place, as required by section 64(2){f} of the MFMA.

Annual financial statements

42. The financial statements submitted for auditing were not prepared, in all material respects, in accordance with the requirements of section 122 of the MFMA.

43. Material misstatements of non-current assets and revenue identified by the auditors in the submitted financial statements were subsequently corrected, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

Consequence management

44. Unauthorised expenditure incurred by the municipality was not investigated to determine if

any person was liable for the expenditure, as required by section 32(2)(a) of the MFMA.

45. Irregular expenditure incurred by the municipality was not investigated to determine if any person was liable for the expenditure, as required by section 32(2)(b) of the MFMA.
46. Losses resulting from irregular expenditure were not recovered from the liable person, as required by section 32(2) of the MFMA and municipal budget and reporting regulations 75(2).
47. Fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person was liable for the expenditure, as required by section 32(2)(b) of the MFMA and municipal budget and reporting regulations 75(1).
48. Losses resulting from fruitless and wasteful expenditure were not recovered from the liable person, as required by section 32(2)(b) and 102(1) of the MFMA and municipal budget and reporting regulations 75(2).

Strategic planning and performance management

49. The Integrated Development Plan (IDP) did not include the financial plan, as required by sections 26(h) of the MSA and municipal planning.
50. The IDP was not drafted considering the integrated development process and proposals submitted by the district municipality as required by section 29(3) of the Municipal Systems Act, 2000 (Act No. 32 of 2000).

Procurement and contract management

51. Some of the quotations were accepted from prospective providers who were not on the list of accredited prospective providers and did not meet the listing requirements prescribed by the SCM policy, in contravention of SCM regulations 16(b) and 17(b). Similar non-compliance was also reported in the previous year.
52. Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM regulation 36(1).
53. Sufficient appropriate audit evidence could not be obtained that bids were evaluated by bid evaluation committees which were composed of officials from the departments requiring the goods or services and at least one SCM practitioner of the municipality, as required by SCM regulation 28(2).
54. Sufficient appropriate audit evidence could not be obtained that bids were evaluated by bid evaluation committees which were composed of officials from the departments requiring the goods or services and at least one SCM practitioner of the municipality as required by SCM regulation 28(2). Similar non-compliance was also reported in the prior year. This non-compliance was identified in the procurement processes for the Supply and delivery of quarry Material to Ndlambe area.
55. Some of the contracts were awarded to bidders that did not score the highest points in the evaluation process, as required by section 2(1)(f) of Preferential Procurement Policy Framework Act and Preferential Procurement Regulations. This non-compliance was identified in the procurement processes for the Upgrading of Runeli Drive Road in Ndlovini Township.

56. Some of the contracts were awarded to bidders based on preference points that were not all calculated in accordance with the requirements of the Preferential Procurement Policy Framework Act and its regulations. This non-compliance was identified in the procurement processes for the Upgrading of Beach Road, Port Alfred, Runeli Drive Road.
57. Some of the construction contracts were awarded to contractors that did not qualify for the contract, in contravention of section 18(1) of the Construction Industry Development Board Act, 2000 (Act No. 38 of 2000) (CIDB Act) and CIDB regulations 17 and 25(7A).
58. Bid documentation for procurement of commodities designated for local content and production did not stipulate the minimum threshold for local production and content, as required by preferential procurement regulation 9(1).
59. Some of the contracts were extended or modified without the approval of a properly delegated official, in contravention of SCM regulation 5.
60. The performance of some of the contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA.
61. Persons in service of the municipality whose close family members had a private or business interest in contracts awarded by the municipality failed to disclose such interest, in contravention of SCM regulation 46(2)(e) and the code of conduct for staff members issued in terms of the Municipal Systems Act.
62. Persons in the service of the municipality who had a private or business interest in contracts awarded by the municipality failed to disclose such interest, in contravention of SCM regulation 46(2)(e) the code of conduct for staff members issued in terms of the Municipal Systems Act.
63. Awards were made to providers who were in the service of other state institutions or whose directors were in the service of other state institutions, in contravention of the MFMA 112(j) and SCM regulation 44. Similar awards were identified in the previous year and no effective steps were taken to prevent or combat the abuse of the SCM process, as required by SCM regulation 38(1).
64. Awards were made to providers who were in the service of the municipality and whose directors were in the service of the municipality, in contravention of section 112(j) of the MFMA and SCM regulation 44. Furthermore, the provider failed to declare that he/she was in the service of the municipality, as required by SCM regulation 13(c).

Expenditure management

65. Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R221 880, as disclosed in note 47 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA.

Budgets

66. Reasonable steps were not taken to prevent unauthorised expenditure of R97,6 million, as disclosed in note 42 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by overspending on the individual vote.

Conditional grants

67. The municipality did not evaluate its performance in respect of programmes or functions funded by the municipal Infrastructure grant and the integrated national electrification grant,

as required by section 12(5) of the DoRA.

Other information

68. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported in the auditor's report.
69. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
70. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
- 71.1 have not yet received the annual report. When I do receive this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected I may have to re-issue my auditor's report amended as appropriate.

Internal control deficiencies

72. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.
73. The leadership did not adequately oversee the implementation and monitoring of internal controls to ensure sound financial and performance management and compliance with legislation. This resulted in inaccurate, incomplete and inadequate financial and performance reporting. The leadership developed a plan to address external audit findings, but it did not sufficiently address all the external audit findings raised in the previous years.
74. The leadership did not implement an effective performance management system that holds staff accountable and enables the leadership to instil the principle of consequence management. As a result, the municipality did not comply with much of the relevant legislation.
75. The municipality had an inadequate control environment with ineffective daily and monthly processing and reconciliation of transactions. The lack of a proper functioning control environment resulted in deficiencies in the record management system and underlying records. Furthermore, compliance with legislation was not monitored adequately, resulting in findings on compliance in the year under review.
76. Information provided was either incomplete or did not support the financial statements and the performance report. For some areas under both financial and performance management

the regular processes of collecting, collating and reporting on credible information were not implemented, which resulted in material findings being raised on the reported financial and performance information.

77. The implementation of the risk management strategy was not monitored. Although a risk assessment was performed, it was inadequate and not formally adopted.
78. The internal audit unit and audit committee did review the adequacy, reliability and accuracy of the financial statements and performance information. However, the review of the financial statements, performance information and compliance with legislation was not adequate as evidenced by material misstatements identified in all these three areas.

fieri

East London

30 November 2017



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure - auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected development priorities and on the municipality's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in the auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - conclude on the appropriateness of the accounting officer's use of the going concern

basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Ndlambe Municipality's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of the auditor's report. However, future events or conditions may cause a municipality to cease continuing as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

ANNEXURE C

SECTION 72- MID YEAR BUDGET AND
PERFORMANCE REPORT 2017/2018

SECTION 72 – MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT



**Ndlambe
Municipality
2017/2018**




Sarah Baartman
DISTRICT MUNICIPALITY
progress through development

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PART 1 – IN-YEAR REPORTING

1.1 PURPOSE

The purpose of this report is to assess the financial performance and position of the municipality, as at 31 December 2017 and the consequential impact on the implementation of the approved 2017/2018 budget

1.2 LEGISLATIVE REQUIREMENT

In terms of Section 72(1)(a), (2), (3) and 52(d) of the Local Government Municipal Finance Management Act No. 56 of 2003 (MFMA) the Accounting Officer must by 25 January of each year assess the performance of the municipality during the first half of the financial year. A report on such assessment must in terms of Section 72(1)(b) of the MFMA be submitted to the Mayor, Provincial Treasury and National Treasury.

Once the Mayor has considered the report, he must submit the report to Council by 31 January in terms of Section 54 of the MFMA.

In terms of the Section 54 (1), (2) and (3) of the Municipal Finance Management Act No. 56, 2003 Chapter 7, the following applies: -

“(1) On receipt of a statement or report submitted by the accounting officer of the Municipality

In terms of section 72, the mayor must –

- (a) Consider the statement or report;
- (b) Check whether the municipality’s approved budget is implemented in accordance with the service delivery and budget implementation plan;
- (d) Issue any appropriate instructions to the accounting officer to ensure –
 - (i) that the budget is implemented in accordance with the service delivery and budget implementation plan; and
 - (ii) that spending of funds and revenue collection proceed in accordance with the budget;
- (f) Submit the report to the Council by 31 January of each year.”

The mid-year performance reports and supporting tables of the Ndlambe Municipality, prepared in accordance with MFMA Circular 13 and the Municipal Budget and Reporting Regulations.

1.3 MAYOR'S REPORT

The report will be inserted after the Mayor tabled the report to Council.

1.4 RESOLUTION

The resolution will be inserted after the Mayor tabled the report to Council.

1.5 EXECUTIVE SUMMARY

Introduction

The Municipal Manager as Accounting Officer of the municipality, is required by Section 72 of the Municipal Finance Management Act to submit a report to the Mayor of the Municipality, the National Treasury and the relevant Provincial Treasury by the 25 January of each year, reviewing the financial performance of the municipality for the first six months of the financial year.

The mid-year report is a critical stage in the in-year reporting cycle of a municipality. As part of the review, in terms of Section 72(3) of the Municipal Finance Management Act, the Accounting Officer needs to make recommendations as to whether the Service Delivery Budget Implementation Plans and both capital and operating budgets need to be adjusted.

Section 54 (1) of the Municipal Finance Management Act requires the Mayor to consider and then submit the mid-year report to Council by 31 January of each year.

It must be noted that the Section 52, Quarterly Budget Monitoring Report is incorporated in this report. Therefore, the requirements of Section 52 (f) of the Municipal Finance Management Act have been met in this mid-year Budget and Assessment Report.

The body of this report is detailed to such an extent that my comments in this executive summary will be limited to aspects that I feel need to be highlighted.

1.3.1 Capital Expenditure

EC105 Ndlambe - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	2016/17	Budget Year 2017/18							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation	2									
Vote 1 - COUNCIL GENERAL		-	1,010	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - COMMUNITY PROTECTION SERVICES		-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY PROTECTION SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - INFRASTRUCTURAL DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 7 - INFRASTRUCTURAL DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 8 - ELECTRICITY SERVICES		-	-	-	-	-	-	-	-	-
Vote 9 - WATER SERVICES		-	-	-	-	-	-	-	-	-
Vote 10 - FINANCIAL MANAGEMENT		-	-	-	-	-	-	-	-	-
Vote 11 - FINANCIAL MANAGEMENT		-	-	-	-	-	-	-	-	-
Vote 12 - Null		-	-	-	-	-	-	-	-	-
Vote 13 - Null		-	-	-	-	-	-	-	-	-
Vote 14 - Null		-	-	-	-	-	-	-	-	-
Vote 15 - Null		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	1,010	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - COUNCIL GENERAL		-	1,000	-	-	245	1,000	(755)	-75%	-
Vote 2 - MUNICIPAL MANAGER		-	10	-	-	8	-	8	#DIV/0!	-
Vote 3 - CORPORATE SERVICES		-	271	-	-	48	271	(223)	-82%	-
Vote 4 - COMMUNITY PROTECTION SERVICES		-	-	-	155	1,614	-	1,614	#DIV/0!	-
Vote 5 - COMMUNITY PROTECTION SERVICES		-	4,600	-	623	77	4,100	(4,023)	-98%	-
Vote 6 - INFRASTRUCTURAL DEVELOPMENT		-	7,254	-	899	6,921	6,944	(23)	0%	-
Vote 7 - INFRASTRUCTURAL DEVELOPMENT		-	7	-	-	-	7	(7)	-100%	-
Vote 8 - ELECTRICITY SERVICES		-	8,000	-	-	368	7,400	(7,032)	-95%	-
Vote 9 - WATER SERVICES		-	18,473	-	-	3,118	5,250	(2,131)	-41%	-
Vote 10 - FINANCIAL MANAGEMENT		-	891	-	1	41	816	(775)	-95%	-
Vote 11 - FINANCIAL MANAGEMENT		-	-	-	-	-	-	-	-	-
Vote 12 - Null		-	-	-	-	-	-	-	-	-
Vote 13 - Null		-	-	-	-	-	-	-	-	-
Vote 14 - Null		-	-	-	-	-	-	-	-	-
Vote 15 - Null		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	40,507	-	1,678	12,441	25,788	(13,347)	-52%	-
Total Capital Expenditure		-	41,517	-	1,678	12,441	25,788	(13,347)	-52%	-
Capital Expenditure - Functional Classification										
Governance and administration		-	2,041	-	1	286	1,943	(1,657)	-85%	-
Executive and council		-	1,010	-	-	245	1,000	(755)	-75%	-
Finance and administration		-	1,031	-	1	41	943	(902)	-96%	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	6,298	-	573	1,459	5,688	(4,229)	-74%	-
Community and social services		-	491	-	-	-	381	(381)	-100%	-
Sport and recreation		-	5,600	-	551	1,412	5,100	(3,688)	-72%	-
Public safety		-	200	-	22	47	200	(153)	-77%	-
Housing		-	7	-	-	-	7	(7)	-100%	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	6,494	-	1,055	7,084	6,184	900	15%	-
Planning and development		-	45	-	-	8	35	(27)	-76%	-

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Road transport		-	6,449	-	899	6,921	6,149	772	13%	-
Environmental protection		-	-	-	155	155	-	155	#DIV/0!	-
Trading services		-	31,180	-	49	3,563	15,831	(12,268)	-77%	-
Energy sources		-	8,000	-	-	368	7,400	(7,032)	-95%	-
Water management		-	18,466	-	-	3,118	5,243	(2,124)	-41%	-
Waste water management		-	1,200	-	-	-	1,200	(1,200)	-100%	-
Waste management		-	3,514	-	49	77	1,989	(1,912)	-96%	-
Other		-	-	-	-	48	-	48	#DIV/0!	-
Total Capital Expenditure - Functional Classification	3	-	46,014	-	1,678	12,441	29,647	(17,206)	-58%	-
Funded by:										
National Government		-	(19,313)	-	1,473	11,501	(11,911)	23,412	-197%	-
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	48	-	48	#DIV/0!	-
Other transfers and grants		-	38,626	-	-	-	23,822	(23,822)	-100%	-
Transfers recognised - capital	5	-	19,313	-	1,473	11,549	11,911	(362)	-3%	-
Public contributions & donations		-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	205	892	-	892	#DIV/0!	-
Total Capital Funding		-	19,313	-	1,678	12,441	11,911	530	4%	-

Budgeted Capital	July 2017 – June 2018	R46, 013, 610
Actual Capital Expenditure	July 2017 – December 2017	R12 441,000

It needs to be remembered that no provision was made since the 2011/2012 financial year for capital funded from internal sources. Directors have made numerous attempts to lobby for funding but have not been as successful as they were in the previous financial years. It is critical that the Ndlambe Council approves a capital budget from internal sources for the 2017/2018 financial year with funding provided through the operating budget as the infrastructure, plant and equipment is failing and needs serious attention to avoid breaks in the delivery of essential services.

The expenditure from the limited capital budget that we have is on track and all capital projects will be completed before 30 June 2018 funded mainly from grants. Every year the directors are encouraged to lobby for funds during the remainder of the financial year.

The above illustrates the Ndlambe Municipality's dependency on grant funding and this is a dangerous situation as grant funding will not always be available.

1.3.2 Operating Expenditure

Budgeted Expenditure	July 2017 – June 2018	R306 520 000
Actual Expenditure	July 2017 – December 2018	R126 489 000

There are many reasons as to why the actual expenditure is way below the budgeted expenditure but the main reasons can be attributed to the following;

- The budgeted expenditure not been realized and this is partly due to bad budget planning
- The rapid increase in consumer debt as a result of an increase in both ratepayers and consumers not paying their accounts. This is the biggest challenge facing us at present but drastic steps are going to be implemented to rectify the matter.
- Poor planning and using the incremental budgeting method for all line items also impacts on budgets not been realistic.
- The actual expenditure total is excluding some of December invoices.

1.3.3. Operating Revenue

Budgeted Income	July 2017 – June 2018	R314 834 000
Actual Income	July 2017 – December 2018	R187 009 000

The actual income is distorted by the equitable share and grant money received that is in the process of been spent but if they were removed it is evident that income accrued is not been recovered and that credit control procedures have to be intensified to collect the income due so that expenditure can be incurred as budgeted for.

	Budgeted Income	Actual Income
Rates	R100, 785,000	R49, 042,000
Sewer	R3, 978,000	R5, 359,000
Water	R27, 020,000	R16, 877,000
Electricity	R58, 510,000	R29, 649,000
Refuse	R8, 627,000	R6, 748,000

1.3.4. Creditors

All creditors that's invoices were received by 31 December 2017 have been processed. Our top creditors are Eskom Holdings Limited, Amatola Water Board, Salga levies, Manelec, Munsoft (PTY) LTD, The Dept Paymaster, Skubie Trading LTD, Vaxogyn PTY LTD, Mubeko Africa and Multi Security services.

ADV R DUMEZWENI
MUNICIPAL MANAGER

1.6 IN-YEAR BUDGET TABLES

The seven main budget tables, as required in terms of the municipal budget and reporting regulation, are included in this section of the report. These tables set out the municipality's 2017/2018 budget performance for the period of July 2017 to December 2018 and are to be noted by Council.

Table C1 Monthly Budget Statement Summary
EC105 Ndlambe - Table C1 Monthly Budget Statement Summary - M06 December

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	100,785	-	7,642	49,042	50,392	(1,350)	-3%	-
Service charges	-	98,135	-	9,131	58,633	42,114	16,519	39%	-
Investment revenue	-	2,463	-	706	1,834	1,232	602	49%	-
Transfers and subsidies	-	89,484	-	28,418	64,147	66,366	(2,220)	-3%	-
Other own revenue	-	23,967	-	2,111	13,353	12,082	1,272	11%	-
Total Revenue (excluding capital transfers and contributions)	-	314,834	-	48,008	187,009	172,186	14,823	9%	-
Employee costs	-	125,877	-	13,931	59,806	66,313	(6,508)	-10%	-
Remuneration of Councillors	-	6,545	-	507	3,051	3,272	(221)	-7%	-
Depreciation & asset impairment	-	5,474	-	1	3	2,737	(2,734)	-100%	-
Finance charges	-	1,900	-	193	794	950	(156)	-16%	-
Materials and bulk purchases	-	66,154	-	6,305	28,056	32,682	(4,626)	-14%	-
Transfers and subsidies	-	1,485	-	295	908	818	91	11%	-
Other expenditure	-	99,085	-	7,280	33,871	47,067	(13,196)	-28%	-
Total Expenditure	-	306,520	-	28,513	126,489	153,839	(27,350)	-18%	-
Surplus/(Deficit)	-	8,314	-	19,496	60,520	18,347	42,173	230%	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	35,414	-	6,263	10,598	20,791	(10,193)	-49%	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	43,728	-	25,759	71,117	39,137	31,980	82%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	43,728	-	25,759	71,117	39,137	31,980	82%	-
Capital expenditure & funds sources									
Capital expenditure	-	46,021	-	1,523	961,774	29,654	932,121	3143%	-
Capital transfers recognised	-	19,313	-	(11,357)	(20,791)	11,911	(32,702)	-275%	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
Total sources of capital funds	-	19,313	-	(11,357)	(20,791)	11,911	(32,702)	-275%	-
Financial position									
Total current assets	-	(118,040)	-		237,757				-
Total non-current assets	-	46,014	-		803,828				-
Total current liabilities	-	-	-		171,298				-
Total non-current liabilities	-	-	-		95,975				-
Community wealth/Equity	-	43,728	-		774,315				-
Cash flows									
Net cash from (used) operating	-	24,767	-	(3,307)	71,913	29,708	(42,205)	-142%	-
Net cash from (used) investing	-	(45,911)	-	8,546	(1,111,867)	(1,059,132)	52,736	-5%	-
Net cash from (used) financing	-	-	-	(256)	76,454	-	(76,454)	#DIV/0!	-
Cash/cash equivalents at the month/year end	-	(21,144)	-	-	(963,500)	(1,029,424)	(65,924)	6%	-
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	-	-	-	-	-	-	-	-	-
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

The aim of the budget summary is to provide a concise overview of the actual budget performance from all of the major financial perspective (operating expenditure, capital expenditure, financial position, cash flow, and MFMA funding compliance).

The table provides an overview of the actual amounts spent compared to the monthly budget projections within the context of operating performance, resources utilised for the capital expenditure, financial position, cash and funding compliance.

Operating Expenditure actual – Is less than the year to date expenditure due to the invoices that were processed in December but not yet paid.

EC105 Ndlambe - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2016/17 Audited Outcom e	Budget Year 2017/18 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								%	
Revenue - Functional										
Governance and administration		-	187,687	-	36,163	114,608	115,526	(918)	-1%	-
Executive and council		-	2,548	-	109	2,758	2,581	177	7%	-
Finance and administration		-	185,139	-	36,054	111,850	112,946	(1,096)	-1%	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	14,927	-	551	2,108	9,023	(6,915)	-77%	-
Community and social services		-	2,926	-	379	936	1,463	(527)	-36%	-
Sport and recreation		-	4,562	-	15	111	3,931	(3,820)	-97%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	5,897	-	154	993	2,948	(1,955)	-66%	-
Health		-	1,542	-	2	68	681	(613)	-90%	-
Economic and environmental services		-	13,550	-	7,357	15,112	9,082	6,030	66%	-
Planning and development		-	5,027	-	341	2,074	2,604	(530)	-20%	-
Road transport		-	7,010	-	6,461	12,166	5,720	6,447	113%	-
Environmental protection		-	1,513	-	555	872	758	114	15%	-
Trading services		-	132,181	-	9,775	62,842	58,314	4,528	8%	-
Energy sources		-	67,468	-	4,660	30,435	34,915	(4,480)	-13%	-
Water management		-	46,477	-	2,744	17,768	19,016	(1,248)	-7%	-
Waste water management		-	6,283	-	917	5,490	(1,593)	7,083	-445%	-
Waste management		-	11,953	-	1,453	9,149	5,976	3,173	53%	-
Other	4	-	1,799	-	426	3,357	995	2,362	237%	-
Total Revenue - Functional	2	-	350,145	-	54,271	198,028	192,941	5,087	3%	-
Expenditure - Functional										
Governance and administration		-	97,919	-	8,031	37,992	44,447	(6,454)	-15%	-
Executive and council		-	27,025	-	2,463	13,276	14,511	(1,236)	-9%	-
Finance and administration		-	66,074	-	4,535	21,133	27,496	(6,363)	-23%	-
Internal audit		-	4,820	-	1,033	3,584	2,440	1,144	47%	-
Community and public safety		-	31,947	-	2,780	11,603	17,307	(5,704)	-33%	-
Community and social services		-	7,784	-	626	2,767	4,087	(1,320)	-32%	-
Sport and recreation		-	11,091	-	1,215	4,550	6,120	(1,569)	-26%	-
Public safety		-	7,261	-	633	2,760	4,066	(1,306)	-32%	-
Housing		-	3,363	-	124	723	1,749	(1,026)	-59%	-
Health		-	2,448	-	181	802	1,285	(483)	-38%	-
Economic and environmental services		-	59,269	-	5,421	24,356	32,622	(8,266)	-25%	-
Planning and development		-	20,849	-	1,588	7,473	12,041	(4,568)	-38%	-
Road transport		-	34,889	-	3,541	15,618	18,592	(2,974)	-16%	-
Environmental protection		-	3,532	-	293	1,265	1,989	(724)	-36%	-
Trading services		-	114,671	-	11,925	51,654	57,968	(6,314)	-11%	-
Energy sources		-	56,638	-	5,443	27,333	28,385	(1,052)	-4%	-
Water management		-	31,604	-	3,078	11,055	16,308	(5,253)	-32%	-
Waste water management		-	10,684	-	1,313	5,025	5,725	(700)	-12%	-
Waste management		-	15,745	-	2,091	8,241	7,550	691	9%	-
Other		-	2,611	-	355	1,306	1,460	(154)	-11%	-
Total Expenditure - Functional	3	-	306,417	-	28,513	126,911	153,804	(26,893)	-17%	-
Surplus/ (Deficit) for the year		-	43,728	-	25,759	71,117	39,137	31,980	82%	-

Table C2 Monthly Budget Statement - Financial Performance (standard classification)

The standard classification refers to modified government finance statistics (GFS) reporting structure. The aim of the standard approach is to ensure that all municipalities report their operations in one common format, to facilitate comparison across all municipalities.

EC105 Ndlambe - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - COUNCIL GENERAL		-	2,559	-	-	2,588	2,588	-		-
Vote 2 - MUNICIPAL MANAGER		-	(11)	-	109	170	(7)	177	-2420.8%	-
Vote 3 - CORPORATE SERVICES		-	4,276	-	232	2,353	2,808	(455)	-16.2%	-
Vote 4 - COMMUNITY PROTECTION SERVICES		-	15,784	-	1,615	10,995	7,803	3,192	40.9%	-
Vote 5 - COMMUNITY PROTECTION SERVICES		-	7,566	-	1,034	4,225	5,529	(1,304)	-23.6%	-
Vote 6 - INFRASTRUCTURAL DEVELOPMENT		-	16,339	-	7,522	18,067	5,741	12,327	214.7%	-
Vote 7 - INFRASTRUCTURAL DEVELOPMENT		-	5,897	-	154	993	2,948	(1,955)	-66.3%	-
Vote 8 - ELECTRICITY SERVICES		-	8,000	-	-	368	7,400	(7,032)	-95.0%	-
Vote 9 - WATER SERVICES		-	52,374	-	2,899	18,761	21,964	(3,203)	-14.6%	-
Vote 10 - FINANCIAL MANAGEMENT		-	183,789	-	36,160	110,152	111,601	(1,449)	-1.3%	-
Vote 11 - FINANCIAL MANAGEMENT		-	-	-	41	281	-	281	#DIV/0!	-
Vote 12 - Null		-	-	-	-	-	-	-		-
Vote 13 - Null		-	-	-	-	-	-	-		-
Vote 14 - Null		-	-	-	-	-	-	-		-
Vote 15 - Null		-	-	-	-	-	-	-		-
Total Revenue by Vote	2	-	296,573	-	49,766	168,955	168,374	581	0.3%	-
Expenditure by Vote	1									
Vote 1 - COUNCIL GENERAL		-	9,874	-	996	5,996	5,004	991	19.8%	-
Vote 2 - MUNICIPAL MANAGER		-	23,088	-	2,591	11,328	12,551	(1,223)	-9.7%	-
Vote 3 - CORPORATE SERVICES		-	22,047	-	1,777	10,045	11,454	(1,410)	-12.3%	-
Vote 4 - COMMUNITY PROTECTION SERVICES		-	39,158	-	4,430	17,215	20,651	(3,436)	-16.6%	-
Vote 5 - COMMUNITY PROTECTION SERVICES		-	14,142	-	1,592	6,551	7,865	(1,314)	-16.7%	-
Vote 6 - INFRASTRUCTURAL DEVELOPMENT		-	64,139	-	5,940	26,059	34,829	(8,771)	-25.2%	-
Vote 7 - INFRASTRUCTURAL DEVELOPMENT		-	3,363	-	124	723	1,749	(1,026)	-58.7%	-
Vote 8 - ELECTRICITY SERVICES		-	42,784	-	4,337	22,761	21,392	1,369	6.4%	-
Vote 9 - WATER SERVICES		-	34,967	-	3,202	11,778	18,057	(6,279)	-34.8%	-
Vote 10 - FINANCIAL MANAGEMENT		-	42,362	-	2,542	10,608	15,007	(4,400)	-29.3%	-
Vote 11 - FINANCIAL MANAGEMENT		-	-	-	-	-	-	-		-
Vote 12 - Null		-	-	-	-	-	-	-		-
Vote 13 - Null		-	-	-	-	-	-	-		-
Vote 14 - Null		-	-	-	-	-	-	-		-
Vote 15 - Null		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	-	295,926	-	27,531	123,062	148,560	(25,498)	-17.2%	-
Surplus/ (Deficit) for the year	2	-	647	-	22,235	45,893	19,814	26,079	131.6%	-

Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote)

The purpose of the format in which the monthly budget report table is represented, is to enable the Council to enforce a vote in accordance with the municipality's organisational structure, so as to assign responsibility for the revenue and expenditure recorded against these votes to the Municipal Manager and Directors concerned.

Operating revenue and expenditure is thus presented by "vote". A "vote" is defined as one of the main segment into which budget of a municipality is divided into, for the appropriation of funds.

EC105 Ndlambe - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

2016/17

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		-	100,785	-	7,642	49,042	50,392	(1,350)	-3%	-
Service charges - electricity revenue		-	58,510	-	4,589	29,649	27,036	2,613	10%	-
Service charges - water revenue		-	27,020	-	2,589	16,877	13,510	3,367	25%	-
Service charges - sanitation revenue		-	3,978	-	889	5,359	(2,746)	8,105	-295%	-
Service charges - refuse revenue		-	8,627	-	1,064	6,748	4,314	2,434	56%	-
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	906	-	8	48	453	(405)	-89%	-
Interest earned - external investments		-	2,463	-	706	1,834	1,232	602	49%	-
Interest earned - outstanding debtors		-	6,183	-	475	2,723	3,091	(368)	-12%	-
Dividends received		-	19	-	-	-	10	(10)	-100%	-
Fines, penalties and forfeits		-	3,546	-	533	4,566	1,773	2,793	158%	-
Licences and permits		-	1,732	-	609	935	962	(27)	-3%	-
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		-	89,484	-	28,418	64,147	66,366	(2,220)	-3%	-
Other revenue		-	11,581	-	484	5,081	5,793	(712)	-12%	-
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	314,834	-	48,008	187,009	172,186	14,823	9%	-
Expenditure By Type										
Employee related costs		-	125,877	-	13,931	59,806	66,313	(6,508)	-10%	-
Remuneration of councillors		-	6,545	-	507	3,051	3,272	(221)	-7%	-
Debt impairment		-	14,538	-	-	-	-	-	-	-
Depreciation & asset impairment		-	5,474	-	1	3	2,737	(2,734)	-100%	-
Finance charges		-	1,900	-	193	794	950	(156)	-16%	-
Bulk purchases		-	48,636	-	5,145	23,412	24,318	(906)	-4%	-
Other materials		-	17,518	-	1,160	4,644	8,364	(3,720)	-44%	-
Contracted services		-	47,139	-	4,496	16,438	26,315	(9,877)	-38%	-
Transfers and subsidies		-	1,485	-	295	908	818	91	11%	-
Other expenditure		-	37,305	-	2,783	17,854	20,716	(2,862)	-14%	-
Loss on disposal of PPE		-	103	-	-	(421)	36	(457)	-1284%	-
Total Expenditure		-	306,520	-	28,513	126,489	153,839	(27,350)	-18%	-
Surplus/(Deficit)		-	8,314	-	19,496	60,520	18,347	42,173	0	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	35,414	-	6,263	10,598	20,791	(10,193)	(0)	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		-	43,728	-	25,759	71,117	39,137			-
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		-	43,728	-	25,759	71,117	39,137			-
Attributable to minorities		-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		-	43,728	-	25,759	71,117	39,137			-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-			-
Surplus/ (Deficit) for the year		-	43,728	-	25,759	71,117	39,137			-

Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure)

The financial performance budget is required to be approved concurrently by revenue source and expenditure type, so as to ensure consistency with annual reporting format requirements. A key aim is to facilitate comparison between the monthly result, the monthly budget- to-date projections and the original budget, so as to assess performance.

In terms of the table above the year to date actual expenditure is the same as the year to date budget that means the budget spending is more or less the same if you take into account all the December invoiced that are process but not yet paid.

EC105 Ndlambe - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - COUNCIL GENERAL		-	1,010	-	-	-	-	-		-
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-		-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-		-
Vote 4 - COMMUNITY PROTECTION SERVICES		-	-	-	-	-	-	-		-
Vote 5 - COMMUNITY PROTECTION SERVICES		-	-	-	-	-	-	-		-
Vote 6 - INFRASTRUCTURAL DEVELOPMENT		-	-	-	-	-	-	-		-
Vote 7 - INFRASTRUCTURAL DEVELOPMENT		-	-	-	-	-	-	-		-
Vote 8 - ELECTRICITY SERVICES		-	-	-	-	-	-	-		-
Vote 9 - WATER SERVICES		-	-	-	-	-	-	-		-
Vote 10 - FINANCIAL MANAGEMENT		-	-	-	-	-	-	-		-
Vote 11 - FINANCIAL MANAGEMENT		-	-	-	-	-	-	-		-
Vote 12 - Null		-	-	-	-	-	-	-		-
Vote 13 - Null		-	-	-	-	-	-	-		-
Vote 14 - Null		-	-	-	-	-	-	-		-
Vote 15 - Null		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	-	1,010	-	-	-	-	-		-
Single Year expenditure appropriation	2									
Vote 1 - COUNCIL GENERAL		-	1,000	-	-	245	1,000	(755)	-75%	-
Vote 2 - MUNICIPAL MANAGER		-	10	-	-	8	-	8	#DIV/0!	-
Vote 3 - CORPORATE SERVICES		-	271	-	-	48	271	(223)	-82%	-
Vote 4 - COMMUNITY PROTECTION SERVICES		-	-	-	155	1,614	-	1,614	#DIV/0!	-
Vote 5 - COMMUNITY PROTECTION SERVICES		-	4,600	-	623	77	4,100	(4,023)	-98%	-
Vote 6 - INFRASTRUCTURAL DEVELOPMENT		-	7,254	-	899	6,921	6,944	(23)	0%	-
Vote 7 - INFRASTRUCTURAL DEVELOPMENT		-	7	-	-	-	7	(7)	-100%	-
Vote 8 - ELECTRICITY SERVICES		-	8,000	-	-	368	7,400	(7,032)	-95%	-
Vote 9 - WATER SERVICES		-	18,473	-	-	3,118	5,250	(2,131)	-41%	-
Vote 10 - FINANCIAL MANAGEMENT		-	891	-	1	41	816	(775)	-95%	-
Vote 11 - FINANCIAL MANAGEMENT		-	-	-	-	-	-	-		-
Vote 12 - Null		-	-	-	-	-	-	-		-
Vote 13 - Null		-	-	-	-	-	-	-		-
Vote 14 - Null		-	-	-	-	-	-	-		-
Vote 15 - Null		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	-	40,507	-	1,678	12,441	25,788	(13,347)	-52%	-
Total Capital Expenditure		-	41,517	-	1,678	12,441	25,788	(13,347)	-52%	-
Capital Expenditure - Functional Classification										
Governance and administration		-	2,041	-	1	286	1,943	(1,657)	-85%	-
Executive and council		-	1,010	-	-	245	1,000	(755)	-75%	-
Finance and administration		-	1,031	-	1	41	943	(902)	-96%	-
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		-	6,298	-	573	1,459	5,688	(4,229)	-74%	-
Community and social services		-	491	-	-	-	381	(381)	-100%	-
Sport and recreation		-	5,600	-	551	1,412	5,100	(3,688)	-72%	-
Public safety		-	200	-	22	47	200	(153)	-77%	-
Housing		-	7	-	-	-	7	(7)	-100%	-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		-	6,494	-	1,055	7,084	6,184	900	15%	-
Planning and development		-	45	-	-	8	35	(27)	-76%	-

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Road transport		-	6,449	-	899	6,921	6,149	772	13%	-
Environmental protection		-	-	-	155	155	-	155	#DIV/0!	-
Trading services		-	31,180	-	49	3,563	15,831	(12,268)	-77%	-
Energy sources		-	8,000	-	-	368	7,400	(7,032)	-95%	-
Water management		-	18,466	-	-	3,118	5,243	(2,124)	-41%	-
Waste water management		-	1,200	-	-	-	1,200	(1,200)	-100%	-
Waste management		-	3,514	-	49	77	1,989	(1,912)	-96%	-
Other		-	-	-	-	48	-	48	#DIV/0!	-
Total Capital Expenditure - Functional Classification	3	-	46,014	-	1,678	12,441	29,647	(17,206)	-58%	-
Funded by:										
National Government		-	(19,313)	-	1,473	11,501	(11,911)	23,412	-197%	-
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	48	-	48	#DIV/0!	-
Other transfers and grants		-	38,626	-	-	-	23,822	(23,822)	-100%	-
Transfers recognised - capital	5	-	19,313	-	1,473	11,549	11,911	(362)	-3%	-
Public contributions & donations	6	-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	205	892	-	892	#DIV/0!	-
Total Capital Funding		-	19,313	-	1,678	12,441	11,911	530	4%	-

Table C5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote, capital expenditure by standard classification, and the funding necessary to fund the capital budget, including information on capital transfers from national and provincial department

This table shows how much we are depending on grant funding as the capital expenditure is far less compared to grant funding expenditure.

**EC105 Ndlambe - Table C6 Monthly Budget Statement - Financial Position - M06
December**

Description	Ref	2016/17	Budget Year 2017/18			
		Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		-	(142,578)	-	7,683	-
Call investment deposits		-	-	-	52,279	-
Consumer debtors		-	25,371	-	107,827	-
Other debtors		-	(968)	-	69,219	-
Current portion of long-term receivables		-	-	-	281	-
Inventory		-	135	-	468	-
Total current assets		-	(118,040)	-	237,757	-
Non-current assets						
Long-term receivables		-	-	-	-	-
Investments		-	-	-	-	-
Investment property		-	-	-	187,608	-
Investments in Associate		-	-	-	-	-
Property, plant and equipment		-	45,939	-	614,698	-
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		-	75	-	1,522	-
Other non-current assets		-	-	-	-	-
Total non-current assets		-	46,014	-	803,828	-
TOTAL ASSETS		-	(72,026)	-	1,041,585	-
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		-	-	-	1,471	-
Consumer deposits		-	-	-	2,745	-
Trade and other payables		-	-	-	155,273	-
Provisions		-	-	-	11,808	-
Total current liabilities		-	-	-	171,298	-
Non-current liabilities						
Borrowing		-	-	-	72,519	-
Provisions		-	-	-	23,457	-
Total non-current liabilities		-	-	-	95,975	-
TOTAL LIABILITIES		-	-	-	267,273	-
NET ASSETS	2	-	(72,026)	-	774,312	-
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		-	43,728	-	774,315	-
Reserves		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	-	43,728	-	774,315	-

EC105 Ndlambe - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		–	82,566	–	6,652	48,480	41,379	7,101	17%	–
Service charges		–	98,135	–	6,677	52,538	42,114	10,424	25%	–
Other revenue		–	11,581	–	10,598	74,463	5,793	68,671	1185%	–
Government - operating		–	89,484	–	28,418	64,147	66,366	(2,220)	-3%	–
Government - capital		–	35,414	–	6,263	10,598	20,791	(10,193)	-49%	–
Interest		–	8,646	–	136	3,269	4,323	(1,054)	-24%	–
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		–	(297,693)	–	(61,142)	(229,251)	(149,299)	79,952	-54%	–
Finance charges		–	(1,900)	–	(193)	(794)	(950)	(156)	16%	–
Transfers and Grants		–	(1,485)	–	(295)	(908)	(818)	91	-11%	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		–	24,748	–	(2,886)	22,542	29,699	7,157	24%	–
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	103	–	–	(421)	36	(457)	-1284%	–
Decrease (Increase) in non-current debtors		–	–	–	–	–	–	–		–
Decrease (increase) other non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	10,069	(12,673)	–	(12,673)	#DIV/0!	–
Payments										
Capital assets		–	(46,014)	–	(1,678)	(12,441)	(1,059,167)	#####	99%	–
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	(45,911)	–	8,391	(25,535)	(1,059,132)	#####	98%	–
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	(281)	–	(281)	#DIV/0!	–
Borrowing long term/refinancing		–	–	–	–	1,471	–	1,471	#DIV/0!	–
Increase (decrease) in consumer deposits		–	–	–	10	2,745	–	2,745	#DIV/0!	–
Payments										
Repayment of borrowing		–	–	–	(266)	(565)	–	565	#DIV/0!	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	(256)	3,370	–	(3,370)	#DIV/0!	–
NET INCREASE/ (DECREASE) IN CASH HELD		–	(21,163)	–	5,249	378	(1,029,433)			–
Cash/cash equivalents at beginning:		–	–	–		3,295	–			3,295
Cash/cash equivalents at month/year end:		–	(21,163)	–		3,673	(1,029,433)			3,295

Table C7 Monthly Budget Statement - Cash Flow

The budgeted cash flow statement represents the first measurement in determining whether the budget is funded.

It reflects the expected cash inflows versus outflows that are likely to result from then implementation of the budget.

2.1 DEBTORS ANALYSIS

Debtors Arrears and Payment Levels

Total Debt due as at 31 December 2016	R 122 673 346
Less: Current – Accounts been processed	R -2 942 673
30 Days – Accounts in process of payment	<u>R 16 878 575</u>
Arrear Debt	R 102 852 098

Average turnover rate (average should be 11.5% - 15%)

As previously stated, the priority of the finance directorate is to ensure that all debt due to the municipality is recovered and that the policy of Council is amended to bring in stringent measures against defaulters.

Analyses of Outstanding Debtors as at 31 December 2017

Detail	0 - 30 Days	31 - 60 days	61 - 90 days	91 - 120 days	Total
Debtors - Age Analysis by income					
Water Tariffs	-946 552	2 828 206	1413 684	24 550 905	27 846 243
Electricity Tariffs	-1 167 397	4 577 568	1 340 076	8 181 010	12 931 257
Rates (Property Rates)	-39 308	6 860 195	2 829 164	29 705 196	39 355 249
Sewerage / Sanitation Tariffs	-1 084	945 380	528 498	12 115 202	13 587 996
Refuse removal Tariffs	-56 883	1 107 774	588 811	11 970 471	13 610 173
Housing (Rental Income)	-198 683	147 116	132 283	10 001 277	10 081 993
Other	-178 745	325 188	180 591	3 480 042	3 907 076
Total By Income Source	-354 021	87 148	38 768	1 581 465	1 353 360
Debtors - Age Analysis by Customer Group					
Government	-2 942 673	16 878 575	7 051 875	101 685 570	122 673 346
Business	-186 115	219 426	144 390	2 612 595	2 790 296
Households	-36 572	1 379 444	451 221	1 049 236	2 843 329
Other	-2 714 521	15 104 931	6 372 937	96 551 298	115 314 645
Total by Customer Group	-5 465	174 774	83 327	1 472 441	1 725 077

2.2 CREDITORS ANALYSIS

Top ten (10) Creditors:

CREDITOR	PAYMENT	OUTSTANDING			
		30 DAYS	60 DAYS	90 DAYS +	TOTAL
Eskom Holdings Limited	R10 573 851	0	0	0	0
Amatola Water Boar	R1 411 206	0	0	0	0
Salga Levies	R1 351 297	0	0	0	0
Manelec	R1 268 503	0	0	0	0
Munsoft (Pty) Ltd	R969 920	0	0	0	0
The Dept Paymaster	R923 041	0	0	0	0
Skubie Trading Cc	R836 555	0	0	0	0
Vaxogyn Pty Ltd	R439 811	0	0	0	0
Mubesko Africa	R350 000	0	0	0	0
Multi Security Services	R342 382	0	0	0	0
Total Creditors Outstanding	R18 466 566.	0	0	0	0

The current economic climate in the country, as well as the Council's Indigent policy prior to the change thereof, had an influence.

2.2.1 Financial Performance Analysis

Cash Management

Amendments to the credit control and indigent policies were approved by Council during June 2017.

These amendments were communicated to the community before implementation. The effect of these changes on debt collection will only be visible in the second half of the financial year. It is expected that the cash flow position of the municipality will improve as a result of the stricter measures.

Cash on hand	R3 405 870
Total value of investments (Annexure 10.2)	R60 614 725
Total Loans	R10 956 391

2.3 INVESTMENT ANALYSIS

INVESTMENTS AS AT 31 DECEMBER 2017

BANK	BALANCES @ 01/07/2017	WITHDRAWN	BANK CHARGES	TRANSFER TO RETENTION	INVESTED	INT TO CRR ACC	INTEREST REC	BALANCES 31/12/2017
NRB	0.00							0.00
FNB	15,433,603.44		-96.00	0.00	1,714,250.92	-206,043.75	495,559.22	17,437,273.83
STANDARD BANK	13,563,247.96	-44,736,284.87		0.00	69,722,487.26	-1,170,428.85	1,368,115.42	38,747,136.92
INVESTEC	10,490,188.18	-8,427,182.07		0.00	2,279,336.38	-257,723.88	206,192.82	4,290,811.43
OLD MUTUAL SHARES	127,338.75						12,164.25	139,503.00
TOTAL	39,614,378.33	-53,163,466.94	-96.00	0.00	73,716,074.56	-1,634,196.48	2,082,031.71	60,614,725.18

NOTE: The New Republic Bank (N.R.B) where Ndlambe Municipality is in possession of investment accounts was declared insolvent and therefore liquidated. During the 2012/2013 audit, Auditor General recommended that the N.R.B Investment accounts be fully impaired because there is no certainty that the municipal will realize the dividends from those N.R.B investments accounts because of the bank status of insolvency. When the N.R.B eventually pays the dividends, such dividends will be recognized as direct revenue.

2.4 ALLOCATION AND GRANTS RECEIPTS AND EXPENDITURE AS AT 31 DECEMBER 2017

Grant Name	Funder	Opening Balance 1/07/2017	Grants received for the year	Revenue Recognised	Adjustment made for the year	Unspent conditional grants at year end per GL
Financial Management Grant (FMG)	National Treasury	-	1,900,000.00	-1,139,522.00	-	760,478.00
EC Sport: Library Grant	DSRAC	-	-	-1,057,128.00	-	-1,057,128.00
LG Seta	SETA	-	93,415.00	-	-	93,415.00
Public Works: EPWP	EPWP	-	250,000.00	-947,948.00	-	-697,948.00
Ec Loc Govt: Led Initiative	COGTA	42,686.00	-	-	-	42,686.00
Equitable Share	National Treasury	-	57,630,000.00	-28,475,000.00	-	29,155,000.00
Equitable Share: Councillors Allowance	DPLG	-	3,927,000.00	-1,316,413.00	-	2,610,587.00
Waste Management	Basc- Ec Econ	174,247.00	-	-	-	174,247.00
Fire Officers	SBDM	273,070.00	-	53,101.00	-	326,171.00
Mobile Computers	SBDM	180,000.00	-	-	-	180,000.00
Chicory	Cacadu	390,218.00	120,000.00	-169,292.00	-	340,926.00
Essential Oils	Cacadu	173,438.00	-	-86,650.00	-	86,788.00
MIG: Roads	National Treasury	11,628,421.00	-	-6,557,726.00	-	5,070,695.00
MIG:PMU	National Treasury	-	755,777.00	-372,633.00	-	383,144.00

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Grant Name	Funder	Opening Balance 1/07/2017	Grants received for the year	Revenue Recognised	Adjustment made for the year	Unspent conditional grants at year end per GL
MIG: Upgrade Water & Sewer	National Treasury	-	3,455,487.00	-3,535,896.00	-	-80,409.00
MIG: Sportsfield	National Treasury	-	1,748,736.00	-1,439,185.00	-	309,551.00
Total		12,862,080.00	69,880,415.00	-45,044,292.00	-	37,698,203.00

2.5 COUNCILLORS AND EMPLOYEE BENEFITS**EMPLOYEE REMUNERATION**

	Total Budget	YTD Estimate	YTD Expenditure
Basic Salaries	78,367,875.00	39,183,937.50	35,062,875.00
Bonus	6,350,294.00	3,175,147.00	5,440,831.14
Overtime	3,201,943.00	1,600,971.50	4,259,094.49
Acting Allowance	1,176,925.00	588,462.50	574,343.46
Stand By Allowance	1,053,972.00	526,986.00	1,034,440.89
Allowances: Telephone	314,807.00	157,403.50	142,467.72
Rental & Housing Subsidies	1,065,104.00	532,552.00	232,073.28
Vehicle Subsidies	3,580,025.00	1,790,012.50	1,319,791.00
Group Insurance	1,605,355.00	802,677.50	131,453.28
Medical Aid	11,889,023.00	5,912,011.50	4,337,710.66
Allowances-Inkind Benefits (Medical Check Ups)	60,000.00	30,000.00	0
Pension Fund	14,463,077.00	7,231,538.50	6,326,298.02
U.I.F.	717,383.00	358,691.50	375,247.84
Industrial Levy	52,695.00	26,347.50	23,248.50
Leave Gratuity	1,506,568.00	753,284.00	412,353.80
Long Term Service	472,016.00	236,008.00	135,752.12
	125,877,062.00	62,906,031.00	59,807,981.20

COUNCILLORS REMUNERATION

	Total Budget	YTD Estimate	YTD Expenditure
Basic Salaries	4,344,723	2,172,362	1,982,804
Allowances: Telephone	509,568	254,784	237,000
Vehicle Subsidies	1,485,193	742,597	697,402
Medical Aid	55,728	27,864	25,920
Pension Fund	149,532	74,766	108,288
	6,544,744	3,272,373	3,051,414

2.6 ANNUAL BUDGET ANALYSIS OF OVERTIME

Overtime	2017/2018 Annual Budget	2017/2018 YTD Budget	2017/2018 YTD Expenditure	2017/2018 Variance
	R	R	R	R
Municipal Manager	19,996	10,000	25,345	-5,345
Finance Directorate	51,842	25,920	241,170	-189,330
Corporate Services	146,976	197,564	27,840	367,270
Infrastructure Development	2,021,203	861,190	2,649,306	-939,527
Community/ Protection Services	961,926	391,170	1,315,433	-533,093

2.7 MATERIAL VARIANCE TO THE SERVICE DELIVERY AND BUDGET IMPLIMENTATION**Under spending on different functions**

FUNCTION	TOTAL BUDGET	ESTIMATE YEAR TO DATE	EXPENDITURE YEAR TO DATE	% UTILIZED
Registry	1,050,572	525,286	10,219	1
Asset Management	1,546,508	773,254	149,022	10
Municipal By-law Compliance	846,560	423,280	83,108	10
Disaster Management	220,000	110,000	22,815	10
Estates	1,864,434	932,217	239,112	13
Supply Chain Unit	2,778,736	1,389,368	366,734	13
Valuations	681,098	340,549	101,096	15
Sanitation	2,295,596	1,147,798	431,094	19
Publicity	116,008	58,004	21,900	19
Revenue Section	28,524,420	14,262,210	5,388,204	19
Housing	3,363,371	1,681,686	723,935	22
Performance Management	836,884	418,442	188,975	23
Workshop	5,155,746	2,577,873	1,215,621	24
Road Markings	682,549	341,275	168,223	25
Beaches	2,344,630	1,172,315	588,845	25
Town Planning.	2,941,528	1,470,764	833,574	28
Library	4,903,587	2,451,794	1,430,340	29

Reason for understanding

- Part of the expenditure for December is only paid in January so at mid-year the votes will show under spending. (Example: Eskom account for December is only paid in January so it is not shown as expenditure for December as yet)
- The municipality slow down on spending at the beginning of the financial year because the municipality had to build the cash flow.
- All vacant post that were budget for the financial year were not filled at the time of reporting due to delays in the grading of those vacant positions.

2.8 CAPITAL PROJECTS IN-PROGRESS**Infrastructural Development: Projects Progress Report for the 2017/2018 Financial Year**

This report is prepared in terms of the Division of Revenue Act as amended in 21 February 2014. The objective of this report is to show the Conditional grant allocations for the 2017/2018 as per the Dora Bill and the progress in terms of the expenditure. This includes in-kind allocations and other grants received from Sector Departments.

Financial progress report as per allocations for the 2017/2018 Financial Year is as follows:

GRANT	ALLOCATION	BUDGET 2017/2018	EXPENDITURE AS AT DECEMBER 2017	BALANCE	% SPENT TO DATE	COMMENTS
MIG	R27 715 000	R26 054 000	R 5 960 000.00	R 22 158 331	27%	Grant will be fully spent by end of June 2018
EPWP	R 1 000 000	R 1 000 000	R 935 672.00	R 64 328.00	94%	Grant will be fully spent by end of June 2018

2.9 CAPITAL PROGRAMME PERFORMANCE

Capital expenditure by month:

July	August	September	October	November	December
1 989 687	1 656 370	493 538	2 111 667	4 511 629	1 677 846

Challenges

As at 31 December 2017 there have been no challenges encountered with any of the capital programs.

2.9 OTHER SUPPORTING DOCUMENTS

2.9.1 Adjustments Budget

Regulation 23 of the Municipal Budget and Reporting Regulations provides, inter alia for the following:

“An adjustment budget may be tabled in the Municipal Council at any time after the Mid-year Budget and Performance Assessment has been tabled in the Council, but not later than 28 February of each year.

Furthermore, except under certain circumstances only one adjustment budget may be tabled in Council during a financial year.”

Accordingly a report on adjustments to the budget will be submitted to Council for consideration before 28 February 2017.

2.9.2 Annual Report

The Annual Report has to be tabled in Council by end January each year. MPAC oversight report on the annual report has to be tabled in Council before end March each year.

2.9.3 Supply Chain Management

Items of income and expenditure with major deviations from the budget are as follows:

Year	Month	Supplier	Details	Reason per form	R
2017	July	V Tshangana	Refund - Accommodation	5	2,472.00
2017	July	Manelec Services	Electrical Services	2	16,170.00
2017	July	Siyanceda Trading	Catering - Stakeholders meeting - 06/07/2017	5	2,017.00
2017	July	Manelec Services	Electrical Services	2	15,080.00
2017	July	Manelec Services	Electrical Services	2	5,145.00
2017	July	Manelec Services	Electrical Services	2	14,570.00
2017	July	Book Binding Services	Binding of Council documents	5	5,985.00
2017	July	Mustek Limited	Repairs - C Harper computer	5	4,924.80
2017	July	UNISA	Study Fees - Ms N V Mfo	5	7,350.00
2017	July	Lyceum College	Study Fees - Mrs J Nel	5	13,200.00
2017	July	Woodford Car Hire	Car Rental - Mayor - extra kilometres	5	3,662.40
2017	July	Hi-Tech Security	Security system installation - Marselle Advice Centre garage	2	9,140.00
2017	July	Planet Ocean cc t/a Sky Alarms	Security system installation - Alexandria Community Centre	2	6,825.00
2017	July	Kowie Automotive	Remove cylinder head, skim & repair	2	6,172.78
2017	July	Rennies Travel	Car Rental - Mayor	5	6,049.98
2017	July	V W Mxuma	Refund - PDP	5	414.00
2017	July	C Wilmot	Refund - Ekuphumleni clean-up	5	31,365.88
2017	July	Nelson Mandela Metropolitan Municipality - Traffic College	Traffic Officer learners	5	50,129.20
2017	July	Z D Jama	Refund - PDP	5	459.00
2017	July	Specialised Petroleum/Aloe Oil	Petrol & Diesel Fuel	5	243,780.20
2017	July	Princes Lodge	Accommodation & conference facilities - AFS preparation team	5	32,940.00
2017	July	Landu's Funeral Parlour	Pauper burial - N Sizani	5	4,945.00
2017	July	Water & Pumping Solutions	Electrical repairs - Civic Centre	1	5,727.36
2017	July	Wimpy Port Alfred	Lunches - CFO interviews	5	811.90
2017	July	Hi-Tech Security	Guarding of water truck after accident	1	1,040.00
2017	July	Ndlambe Investments	Bathurst - repair of 25 street lights, laying cable & kiosk installation	1	258,960.00

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT.

Year	Month	Supplier	Details	Reason per form	R
2017	July	Times Media - Talk Of The Town	Publication - Tender Notice 113/2017	2	2,689.49
2017	July	Times Media - Talk Of The Town	Publication - Tender Notice 115/2017	2	2,689.49
2017	July	Times Media - Talk Of The Town	Publication - Tender Notice 117/2017	2	2,689.49
2017	July	Times Media - Talk Of The Town	Publication - Tender Notice 116/2017	2	2,689.49
2017	July	Times Media - Talk Of The Town	Publication - Tender Notice 114/2017	2	2,689.49
2017	July	Times Media - Talk Of The Town	Publication - Tender Notice 118/2017	2	2,689.49
2017	July	Specialised Petroleum/Aloe Oil	Petrol & Diesel Fuel	1	243,171.20
2017	July	ARB Electrical	Bulbs - Port Alfred Waster Water Treatment Plant	5	3,632.04
2017	July	One Stop Supermarket	Winter School programme	5	39,478.50
2017	July	H Venter Plant Hire	Bulldozer Hire - Boknes landfill site	1	12,768.00
2017	August	Pumeza Bono Attorneys	Ndlambe Municipality//R M Gates	5	9,852.50
2017	August	Specialised Petroleum/Aloe Oil	Petrol & Diesel Fuel	1	198,341.45
2017	August	Daily Dispatch	Publication - Tender Notice 133/2017 - SUV	5	8,714.16
2017	August	Daily Dispatch	Publication - Tender Notice 132/2017 - Fleet Management System	5	8,402.94
2017	August	National Health Laboratory Service	Food samples analysis	5	6,586.02
2017	August	M E H Sulter & Son	Beacon relocation, encroachment plan preparation	5	7,752.00
2017	August	Y M C A	Accommodation - Masivuye Ntlokwana - Traffic College	5	18,600.00
2017	August	Empumalanga Trust	Install water valve - Putt Bridge area	1	54,850.34
2017	August	Khandisisa Trading Enterprise	High mast light repairs - Kenton-on-Sea & Port Alfred	1	89,160.00
2017	August	Vanguard Fire & Safety	Protective clothing	5	68,628.00
2017	August	Vanguard Fire & Safety	Protective clothing	5	20,215.62
2017	August	Vanguard Fire & Safety	Protective clothing	5	40,677.48
2017	August	Vanguard Fire & Safety	Protective clothing	5	68,055.72
2017	August	Vanguard Fire & Safety	Protective clothing	5	381,330.00
2017	August	Okuhle Kodwa Caterers & Deco	Catering	5	2,800.00
2017	August	Payday Software	Bi-annual legislative update symposium - 7 & 8 Sept 2017	2	10,396.00
2017	August	Rencore	Hydraulic ram	5	4,759.50
2017	August	Isaacs Carpets	Cleaning of water damage - Municipal House, Kenton-on-Sea	1	1,350.00
2017	August	Adapt IT (Pty) Ltd	Caseware: P5 specialist support	2	12,004.20

Year	Month	Supplier	Details	Reason per form	R
2017	August	Royal St Andrews Hotel	Lunch - meeting	5	1,730.00
2017	August	Summerstrand Hotel	Accommodation - 2 x Councillors	5	2,375.90
2017	August	Isango Gate Hotel	Accommodation - 6 x Officials	5	8,600.00
2017	August	Specialised Petroleum/Aloe Oil	Petrol & Diesel Fuel	1	254,080.25
2017	August	RSA Government Directory	Double page spread advertisement	2	46,720.82
2017	August	Resort Plant Hire & Machinery Sales	Hire of Chipper & supervision - BRM landfill site / KOSRA matter	5	14,706.00
2017	August	Times Media - Talk Of The Town	Publication - Notice 126/2017	2	2,868.79
2017	August	South African Post Office	Stamps	5	3,964.35
2017	August	Manelec Services	Thornhill Substation & Reticulation - Cert #6	5	368,290.88
2017	August	Fujitsu Service (Pty) Ltd	Abakus annual licence fees - 01/07/2017 to 30/06/2018	5	60,809.72
2017	August	Bushmans Rest Trust	Hire of chipping yard - BRM Landfill Site/KOSRA matter	5	3,676.50
2017	August	Ndlambe Security	Security at BRM Landfill Site/KOSRA matter	5	16,380.00
2017	August	Daily Dispatch	Publication - Notice 111/2017	5	4,979.52
2017	August	South African Post Office	Stamps	5	3,964.35
2017	August	Siyanceda Catering	Decoration - Premier's visit	5	2,500.00
2017	August	My Pond Hotel / Stenden Hotel SA	Catering - Premier's visit	5	10,675.00
2017	August	Wimpy Port Alfred	Lunches - Mayor's meeting	5	2,069.30
2017	August	Times Media (The Herald)	Vacancy Notice - Grade B Examiner	5	7,054.36
2017	August	Empumalanga Trust	Water leak repair - Bathurst Water Treatment Plant	1	1,357.24
2017	August	Banzotone (Pty) Ltd	R12 million COGTA Grant - Cement	5	107,906.00
2017	August	Vaxogyn (Pty) Ltd	R12 million COGTA Grant - Quarry Materials	5	11,500.00
2017	August	Vaxogyn (Pty) Ltd	R12 million COGTA Grant - Quarry Materials	5	11,500.00
2017	August	Vaxogyn (Pty) Ltd	R12 million COGTA Grant - Quarry Materials	5	36,000.00
2017	August	Vaxogyn (Pty) Ltd	R12 million COGTA Grant - Quarry Materials	5	11,500.00
2017	August	Father an Son	R12 million COGTA Grant - Bathurst Road upgrading	5	54,620.00
2017	August	Bongle and Wongs	R12 million COGTA Grant - Graveyard Road upgrading - Port Alfred	5	367,100.00
2017	August	Genkoral General Trading	R12 million COGTA Grant - Gladiola Road upgrading	5	57,675.00
2017	August	Peugair	Transport bulldozer from East London to Port Alfred	5	5,130.00
2017	August	Woodford Car Hire	Car rental - Mayor	5	19,594.99

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT.

Year	Month	Supplier	Details	Reason per form	R
2017	August	Agri Trac & Auto	Steering cylinder	5	10,052.50
2017	August	Vaxogyn (Pty) Ltd	R12 million COGTA Grant - Quarry Materials	5	18,000.00
2017	August	Teloc	Medolino Pump Station - removal of sludge and solids	1	45,600.00
2017	August	Ndlambe Security	Security services - animal pound - Alexandria	5	16,380.00
2017	August	Ndlambe Security	Security services - municipal store - Alexandria	5	16,380.00
2017	August	Vaxogyn (Pty) Ltd	R12 million COGTA Grant - Quarry Materials	5	9,000.00
2017	August	Vaxogyn (Pty) Ltd	R12 million COGTA Grant - Quarry Materials	5	9,000.00
2017	August	Vaxogyn (Pty) Ltd	R12 million COGTA Grant - Quarry Materials	5	14,000.00
2017	August	Alex Wentzel Traders	R12 million COGTA Grant - School Rd Klipfontein upgrading	5	175,560.00
2017	August	Tyuka General Trading	R12 million COGTA Grant - Main Rd Marselle Phase 1 upgrading	5	348,800.00
2017	August	Vaxogyn (Pty) Ltd	R12 million COGTA Grant - Quarry Materials	5	107,820.00
2017	August	Ullulo Trading	R12 million COGTA Grant - Bathurst Rd upgrading	5	262,000.00
2017	August	Coastal Core Holdings	R12 million COGTA Grant - Gladiola Rd Alexandria Phase 1 upgrading	5	268,900.00
2017	August	Vaxogyn (Pty) Ltd	R12 million COGTA Grant - Quarry Materials	5	75,480.00
2017	August	Vaxogyn (Pty) Ltd	R12 million COGTA Grant - Quarry Materials	5	75,480.00
2017	August	Vaxogyn (Pty) Ltd	R12 million COGTA Grant - Quarry Materials	5	107,820.00
2017	August	Vaxogyn (Pty) Ltd	R12 million COGTA Grant - Quarry Materials	5	242,400.00
2017	August	Vaxogyn (Pty) Ltd	R12 million COGTA Grant - Quarry Materials	5	45,108.00
2017	August	Vaxogyn (Pty) Ltd	R12 million COGTA Grant - Quarry Materials	5	316,825.00
2017	August	Skubie Trading	R12 million COGTA Grant - Block Paving	5	727,378.23
2017	August	Skubie Trading	R12 million COGTA Grant - Block Paving	5	144,039.00
2017	August	Skubie Trading	R12 million COGTA Grant - Block Paving	5	548,231.70
2017	August	Skubie Trading	R12 million COGTA Grant - Block Paving	5	902,211.96
2017	August	Aspigon 247 cc	R12 million COGTA Grant	5	179,570.08
2017	September	Barry Reed Contracting	Final Drive - Case TLB	5	80,789.92
2017	September	Barry Reed Contracting	Gearbox repair - TLB	5	40,661.12
2017	September	Pumeza Bono Attorneys	Ndlambe Municipality//M Mdikwana	None	37,744.60
2017	September	Ngevayo General Trading	Supply & install High Mast Light - WWTP	1	183,000.00
2017	September	Ndlambe Investments	Supply & install Floodlights - Port Alfred Cricket Field	1	288,960.00

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT.

Year	Month	Supplier	Details	Reason per form	R
2017	September	Khandisisa Trading Enterprise	Supply & install High Mast Light - Port Alfred WWTP	1	205,600.00
2017	September	Mr Ndzima	Payment towards water reservoir leak - house on Erf 3355	5	2,605.00
2017	September	Joat Sales	New water meter & strainer - Port Alfred High School	1	6,972.53
2017	September	Buco - Kenton-on-Sea	HTH tablets for sewer plants	None	2,349.71
2017	September	Peugair	Additional work to bulldozer	5	29,190.69
2017	September	Tiso Blackstar Group - Talk of the Town	Half page advertising - service delivery projects	2	3,406.68
2017	September	Water & Pumping Solutions	Repair air valves at Horseshoe pipeline, install gate valve	1	61,275.00
2017	September	Sky Security	Labour - Fingerprint reader replacement	5	4,500.00
2017	September	Makana Security CC t/a Hi-Tech Security Services	Security services	5	11,610.00
2017	September	Gilgal Development Consulting Engineers	Professional fees	5	81,800.70
2017	September	Empumalanga Trust	Medolino Pump Station - removal of sludge and solids	1	3,999.38
2017	September	Outdoor Focus	Balancing dam - removal of algae	1	8,000.00
2017	September	Water & Pumping Solutions	Ekuphumleni booster pumps repairs	1	76,197.90
2017	September	Ndlambe Security	Security services - landfill site - Alexandria	None	600.00
2017	September	Broom Engineering	Broom exhaust repair kits	2	9,077.23
2017	September	Ndlambe Security	Security services - animal pound - Alexandria	5	17,220.00
2017	September	Ndlambe Security	Security services - municipal store - Alexandria	5	16,380.00
2017	September	ITR Technology	AMS fee for software - manage engine 2 domain controllers	2	6,442.82
2017	September	Phulani General Trading	Refuse removal - Port Alfred	5	24,500.00
2017	September	Ndlambe Security	Security at BRM Landfill Site/KOSRA matter	5	16,380.00
2017	September	P Faxi	Refund - Fuel	1	500.00
2017	September	Mannel Consulting	90 x 200l Anionic Stable drums	None	159,300.00
2017	September	T Mazana	Refund - Accommodation	5	2,011.55
2017	September	South African Post Office	Registered mail envelopes	2	7,486.87
2017	September	Resort Plant Hire & Machinery Sales	Hire of Chipper & supervision - BRM landfill site / KOSRA matter	5	14,706.00
2017	September	Nelson Mandela University	Study fees - R Dumezweni	5	6,051.25
2017	September	Tshwane University of Technology (TUT)	Study fees - T L. Mamani	5	7,240.80
2017	September	Intec College	Study fees - P S Sebe	5	21,264.00
2017	September	Nelson Mandela Metropolitan Municipality - Traffic College	Study fees - Traffic Officer learners	5	75,192.00
2017	September	Water & Pumping Solutions	Repair air valves - Horseshoe	1	3,256.41

Year	Month	Supplier	Details	Reason per form	R
2017	September	Princes Lodge	Accommodation - U Xako, N Matthews - AFS preparation	1	1,940.00
2017	October	Total Client Services (TCS)	Software, licensing and training	5	57,864.00
2017	October	Ndlambe Security	Guarding services - Emergency Response Centre - Bushmans River Mouth	5	26,040.00
2017	October	Ndlambe Security	Guarding services - storage in Alexandria	5	16,380.00
2017	October	Wimpy Port Alfred	Lunches for meeting - Sector Dept and OTP	None	2,243.50
2017	October	Makana Security CC t/a Hi-Tech Security Services	Guarding services - Ndlambe area	5	90,612.00
2017	October	Eastern Cape Motors	Isuzu KB250 D-Tec LE Double Cab 2013 model - for loud hailing	5	245,395.01
2017	October	Makana Security CC t/a Hi-Tech Security Services	Guarding services - Ndlambe area	5	11,610.00
2017	October	Ndlambe Security	Guarding services - Alexandria pound	5	16,380.00
2017	October	Makana Security CC t/a Hi-Tech Security Services	Guarding services - Ndlambe area	5	11,610.00
2017	October	Kenrich Delta	Engine repair - Traffic vehicle	5	61,976.35
2017	October	Water & Pumping Solutions	Repairs to panel at Little Beach sewer pump station	1	6,488.25
2017	October	Daily Dispatch	Publication - Vacancy Notice - Lifeguards	5	6,935.76
2017	October	One Stop Supermarket	Supplies - Spring Programme for learners	5	34,283.50
2017	October	PA Vet	Darting and emergency treatment of blesbuck	1	1,478.30
2017	October	Ndlambe Security	Guarding services - Marselle library	1	4,620.00
2017	October	Nomads Consulting	PMS Logic set up, installation & hosting	5	12,500.00
2017	October	IMPSA : Institute of Municipal People Practitioners of Southern Africa	Registration fees - Ms Maneli-Payi & Mr U Nondzube	2	7,100.00
2017	October	Rennies Travel	Car hire - C Engelbrecht	5	4,510.98
2017	October	Diomo Trading Enterprise	Truck hire - loading cattle	5	4,000.00
2017	October	Adapt IT (Pty) Ltd	Caseware training - BTO staff	2	42,983.70
2017	October	Mustek Limited	Computer repairs - Town Planning	5	1,721.40
2017	October	Coastal Core Holdings	Repairs - Marselle library	1	36,600.00
2017	October	Manufacturing Indaba (Pty) Ltd	Registration fees - R Dumezweni	5	2,274.30
2017	October	Tshawe Lama Tshawe Trading CC	Spring School Programme - transport of learners	5	5,000.00
2017	October	Spectrum Communications	Repairs - repeater & programming stations - water network	1	27,476.28
2017	October	Wettest	Testing material - Port Alfred water treatment plant	1	6,308.00
2017	October	Distinctive Choice 780 CC t/a Multi Security Services	Guarding services - Ndlambe area	5	5,440.00

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT.

Year	Month	Supplier	Details	Reason per form	R
2017	October	Makana Security CC t/a Hi-Tech Security Services	Guarding services - Ndlambe area	5	4,146.00
2017	October	Bushmans Rest Trust	Hire of chipping yard - BRM Landfill Site/KOSRA matter	5	3,676.50
2017	October	National Health Laboratory Service	Special water sample - alleged sewage spillage	5	202.82
2017	October	Resort Plant Hire & Machinery Sales	Hire of Chipper & supervision - BRM landfill site /KOSRA matter	None	14,706.00
2017	October	N Ngxwashula	Refund - accommodation - paid by self-due to order system being down	5	1,530.00
2017	October	Ndlambe Security	Guarding services - Alexandria pound	None	16,380.00
2017	October	Wimpy Port Alfred	Catering - Bid Evaluation Committee meeting - 14/09/2017	None	1,373.20
2017	October	Alme code	Spring Programme for learners	5	4,050.00
2017	October	Kowie Automotive	Engine repair	5	4,172.40
2017	October	ARB Electrical Wholesalers	Components for Ndlambe street light repairs	1	13,794.00
2017	October	Sweet-Orr	Protective clothing	5	209,341.62
2017	October	Sweet-Orr	Protective clothing	5	16,140.12
2017	October	Engineering Advice & Services (EAS)	Consultant fees - KOSRA vs Ndlambe LM & Others	5	46,353.67
2017	October	Specialised Petroleum/Aloe Oil	Petrol & Diesel Fuel	None	237,134.90
2017	October	Siyanceda Trading Enterprise	Catering - SPLUMA meeting - Human Settlements	5	3,375.00
2017	October	WESSA	Ndlambe Blue flag beaches accreditation application for certificates	2	58,000.00
2017	October	Specialised Petroleum/Aloe Oil	Petrol & Diesel Fuel	5	195,877.00
2017	October	Coastal Core Holdings	Additional renovations - MM & Mayor's new offices	5	74,800.00
2017	October	Values & Skills Development Services	Adult Education Training	1	280,000.00
2017	October	Ndlambe Security	Guarding services - storage in Alexandria	5	16,380.00
2017	October	Rennies Travel	Accommodation - R Dumezweni - Cape Town	5	9,355.20
2017	October	Institute of Municipal Finance Officers (IMFO)	Registration fees - annual conference	2	14,998.00
2017	October	Ndlambe Security	Guarding services - Emergency Response Centre - Bushmans River Mouth	5	25,200.00
2017	October	Whitesides Attorneys	Continuation of a High Court (Grahamstown) matter, KOSRA & OTHERS vs NDLAMBE LM & OTHERS	5	9,285.35
2017	October	Eskom	New point of electricity supply of 25KVA to Cannon Rocks	5	43,117.50
2017	October	Chartered Institute of Government Finance Audit and Risk Officers (CIGFARO)	Conference registration fee - R Dumezweni	2	7,499.00

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT.

Year	Month	Supplier	Details	Reason per form	R
2017	November	Resort Plant Hire & Machinery Sales	Hire of Chipper & supervision - BRM landfill site / KOSRA matter	5	14,706.00
2017	November	Bushmans Rest Trust	Hire of chipping yard - BRM Landfill Site/KOSRA matter	5	3,676.50
2017	November	Ndlambe Security	Guarding services - Emergency Response Centre - Bushmans River Mouth	5	26,040.00
2017	November	H Venter Plant Hire	Hiring of Lowbed	1	13,908.00
2017	November	eTravel	Difference in Flight Fare	5	3,353.00
2017	November	Daily Dispatch	Publication - Notice 219/2017	5	6,224.40
2017	November	Yonke Lento General Rprimary Co-operative Limited	Purchase of equipment plus rental	5	54,730.00
2017	November	Telkom	Damage 20Pr UG Cable - Conner Vroom Road & Princess Ave (PA)	1	11,519.60
2017	November	The Rescue Tool Guys (Pty) Ltd	Cutting blades for Jaws Of Life	2	16,695.30
2017	November	Neave Stötter Inc	Legal opinion - High Court Case 621/2014. Shelton & Campbell	2	116,818.53
2017	November	Neave Stötter Inc	Ndlambe Municipality/Kowie Quarry CC - Converted Mining Right: Rem Erf 51 Centenary Park, Port Alfred	2	4,993.20
2017	November	Landu's Funeral Parlour	Transportation of mortal remains - UDF 12 Activist	1	8,900.00
2017	November	Wimpy Port Alfred	Catering - Informal Economy planning meeting - 24/11/2017	5	728.80
2017	November	H Venter Plant Hire	Cleaning up of Alexandria Landfill Site	5	23,374.56
2017	November	Bell Equipment	Tie Rods - TLB	5	6,155.54
2017	November	Winter Castles Trading 34CC	Transport of impounded animals	5	1,824.00
2017	November	Winter Castles Trading 34CC	Transport of impounded animals	5	480.85
2017	November	Winter Castles Trading 34CC	Transport of impounded stock	5	1,898.10
2017	November	Winter Castles Trading 34CC	Transport of impounded stock	5	240.43
2017	November	Nashua	Toner & rolls - large copy machine	2	6,612.00
2017	November	Specialised Petroleum/Aloe Oil	Petrol & Diesel Fuel	5	327,097.00
2017	November	Trolec Winding Services CC	Repair pumps - Bekker Street pump station	1	21,181.20
2017	November	Whitesides Attorneys	Legal services - KOSRA matter	5	47,148.00
2017	November	R M Gates	Refund - Air Tickets for Ms T Mapekula - Munsoft mSCOA Training	5	2,112.49
2017	November	Northfield Engineering	Maintenance of pumps - Sunningdale Rd pump station PA	1	22,281.30

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT.

Year	Month	Supplier	Details	Reason per form	R
2017	November	Woodford Car Hire	Car Rental - Mayor - extra kilometres	5	4,433.37
2017	November	Ndlambe Investments	New street lights - Solomon Mahlangu, Ngxokolo and Ntontela Streets	5	249,700.00
2017	November	Gilgal/Newground Projects Consortium	Professional services - Bathurst Bulk Water Project	5	793,206.30
2017	November	Gilgal/Newground Projects Consortium	Professional services - Bathurst Bulk Water Project	5	450,122.16
2017	November	Gilgal/Newground Projects Consortium	Professional services - Bathurst Bulk Water Project	5	323,070.30
2017	November	Gilgal/Newground Projects Consortium	Professional services - Bathurst Bulk Water Project	5	708,114.42
2017	November	Manelec Services	Cable replacement	2	23,730.24
2017	November	NVN Electrical	Repair panel - Port Alfred Water Treatment Plant	1	5,087.62
2017	November	Winter Castles Trading 34CC	Animal feed for impounded animals	1	2,736.00
2017	November	Rennies Travel	Difference - car hire for Mayor	5	9,149.69
2017	November	Munsoft	Registration fees - Munsoft AGM	5	28,500.00
2017	November	Boqwana Burns Attorneys	Legal opinion - disposal of Council properties	5	79,325.30
2017	November	Neave Stötter Inc	Legal Opinion: Office Accommodation for Municipal Conservation Staff: Small Boat Harbour	2	4,959.00
2017	November	Resort Plant Hire & Machinery Sales	Hire of Chipper & supervision - BRM landfill site / KOSRA matter	5	14,706.00
2017	November	Bushmans Rest Trust	Hire of chipping yard - BRM Landfill Site/KOSRA matter	5	3,676.50
2017	November	Ndlambe Community Radio Forum	Provision of Radio Broadcasting & Newsletter publishing services	5	116,020.00
2017	November	Masiqhame Trading 797	Consultancy fees - LED matters	5	68,058.00
2017	December	V & A Air Conditioning	Service of Traffic air conditioners	5	8,892.00
2017	December	Ngevayo General Trading	Electricity supply upgrade - Mamityi Gidana Stadium	5	60,000.00
2017	December	Specialised Petroleum/Aloe Oil	Petrol & Diesel Fuel	None	233,520.00
2017	December	Rennies Travel	Payment of the difference on order no- 002368	5	1,379.98
2017	December	De Jager & Lordan	Legal Costs - Cotterell & Others//Ndlambe LM & Others	5	43,712.10
2017	December	Whitesides Attorneys	Legal services - KOSRA matter	5	148,821.42
2017	December	Rennies Travel	Payment of the difference on order no- 002140	5	135.00
2017	December	Specialised Petroleum/Aloe Oil	Petrol & Diesel Fuel	None	291,358.22
2017	December	S S Isaacs	Repairs - Municipal House, Kenton-On-Sea (Water damage to carpet)	1	1,750.00
2017	December	Woodford Car Hire	Car Rental - Mayor - extra kilometres	5	4,166.74

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT.

Year	Month	Supplier	Details	Reason per form	R
2017	December	Antonio 0001 Trading	Provision of support towards staging Festival	5	200,000.00
2017	December	Rennies Travel	Payment of difference - Accommodation	5	5,570.40
2017	December	Qualitech Business Consulting	Payment for Piggery Production	5	169,800.00
2017	December	Makana Security CC t/a Hi-Tech Security Services	Guarding services - municipal properties	5	114,177.00
			Legal services - Ndlambe Municipality: Port Alfred Marina & Small Craft Harbour Development CC: Lease between Halyards Properties (Pty) Ltd and Inzuzu Trading 505 CC	2	26,017.68
2017	December	Neave Stötter Inc	Legal fees	5	4,959.00
2017	December	Neave Stötter Inc	Reagents - PA Waste Water Treatment Plant	1	6,008.94
2017	December	Sain's Agencies	Refund - accommodation	5	1,530.00
2017	December	M W Yali	Accommodation - Councillors	1	10,010.00
2017	December	Mnyani Civils & General	Payment of the difference - Air Ticket	None	68.40
2017	December	Rennies Travel	Water leak repairs - Sarel Hayward Dam	5	39,764.34
2017	December	Empumalanga Trust	Catering - visit of Federation of Canadian Municipalities	5	13,000.00
2017	December	Royal St Andrews Hotel	Refund - PDP	5	414.00
2017	December	V J Gaga	Purchase of 2 x 60hp boat motors	1	176,780.00
2017	December	Supreme Leisure & Boating	Guarding services - municipal properties	5	9,750.00
2017	December	Makana Security CC t/a Hi-Tech Security Services	Guarding services - municipal properties	5	11,610.00
2017	December	Makana Security CC t/a Hi-Tech Security Services	Guarding services - municipal properties	5	15,960.00
2017	December	Ndlambe Security	Guarding services - municipal properties	5	15,960.00
2017	December	Ndlambe Security	Guarding services - municipal properties	5	15,120.00
2017	December	Ndlambe Security	Guarding services - municipal properties	5	126,132.00
2017	December	Makana Security CC t/a Hi-Tech Security Services	Food samples analysis	5	3,212.87
2017	December	National Health Laboratory Service	Telephone repairs - Kenton-on-Sea	2	3,237.60
2017	December	Panasonic Business Systems	Refund - fuel	5	1,100.00
2017	December	P Faxi	Car Rental - Mayor - extra kilometres	5	8,855.62
2017	December	Woodford Car Hire			
TOTAL					17,221,363.33

2.9.4 Oversight Report on the 2015/2016 Annual Report

Summary of Representations Received from the Community and Others

The following table reflects the key written representations received from the respective bodies/individuals relating to the contents of the Annual Report:

Representation Submitted by:	Key Issues Raised:	Determination by MPAC
Individual councillors (in particular, ward councillors)	<ul style="list-style-type: none"> • None. 	<ul style="list-style-type: none"> • That in future, councillors must be taken through the Annual Report.
Auditor-General	<ul style="list-style-type: none"> • They were invited to make their representation in front of the MPAC. • The AGSA reflected on the issues raised in the audit report. • Responded to the matters of clarity from the Audit Committee and MPAC members 	<ul style="list-style-type: none"> • Audit Action Plan should be made a standing item of the MPAC for the committee to be able to monitor and make recommendation. • Presented at the MPAC Meeting of 11 March 2016
South African Municipal Workers Union	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • None
Audit Committee	<ul style="list-style-type: none"> • They were invited to attend the meeting with the AGSA. • There is a submitted report that forms part of the annexures of the Annual report from the Audit Committee. • The chairperson was requested to give the Audit Committee's opinion on the AFS and their report was included in the Annual report. 	<ul style="list-style-type: none"> • Presented at the MPAC Meeting of 11 March 2016
Other spheres of government	<ul style="list-style-type: none"> • The Department of Local Government and Traditional Affairs attended the meeting. • They are willing to support with the clean audit campaign. • Provincial Treasury presented on both days • Ndlambe Ratepayers Association Presented on both days 	<ul style="list-style-type: none"> Presented at the MPAC Meeting of 11 March 2016
Democratic Alliance (DA)	<ul style="list-style-type: none"> • They were invited to attend the meeting with the AGSA. 	<ul style="list-style-type: none"> • Presented at the MPAC Meeting of 11 March 2016

The Municipal Public Accounts Committee noted with concern, the lack of comment in respect of the Annual Report from the Ward Committees. Efforts were made to encourage public participation by means of advertising the public MPAC meeting and inviting responses to the Annual report. No input was received despite efforts; however the process will be improved next year.

Summary of Reservations Expressed and Corrective Actions Required

RESERVATION	ACTION PLAN
Audit Committee	<ul style="list-style-type: none"> • Make sure all meetings are documented • Report to council quarterly • Must review the performance management system • Advise council, based on internal audit reports
Internal Audit Committee	<ul style="list-style-type: none"> • Must have an internal audit action plan
MPAC	<ul style="list-style-type: none"> • Prevent unauthorized expenditure as far as possible • Assure council that where there is UE, it has been investigated and is really necessary • Review documents such as IDP, SDBIP and quarterly reports before they get to council. Docs must also be post-reviewed. • Receive adjustment budget well in advance for close scrutiny • Make sure all disclosures are actually disclosed. • Assess whether council has approved necessary documentation in order for administration effect better service delivery
PMS	<ul style="list-style-type: none"> • Annual review of framework • Monthly meetings with directorates with regard to performance plans, monitoring and compliance
BTO	<ul style="list-style-type: none"> • Provincial Treasury committed to improving capacity in BTO
SCM	<ul style="list-style-type: none"> • Compare cost of centralization to cost of not centralizing system
IDP	<ul style="list-style-type: none"> • All targets must be SMART • Public participation in IDP is a legal requisite and must take place • Stronger links between IDP and performance of directorates • AG's office will assist with IDP process – before submission time
SDBIP	<ul style="list-style-type: none"> • Needs to be available to MPAC for assessment • Must link directly to IDP, as well as PMS
Annual Report	<ul style="list-style-type: none"> • Format from Treasury must be followed more closely • Better explanations required for variances between budget and actuals • Six – monthly budget in midyear report to have better explanations
Audit Action Plan	<ul style="list-style-type: none"> • To be populated earlier in future for oversight purposes
Ndlambe Website	<ul style="list-style-type: none"> • Must have all necessary information and reports required
Section 72 (midyear) report	<ul style="list-style-type: none"> • AG's office to assist before submission
Adjustment Budget	<ul style="list-style-type: none"> • Must be received well in advance of submission date for oversight.
Consequence Management	<p>All unauthorized expenditure needs to be prevented. If not, directorates need to account for UE and explain how they will recuperate it. MM to report what steps to be taken against those responsible for UE. If no consequence management, grants will be withdrawn. Catch Phrase for 2016.</p>

Water Infrastructure	Investigate the possibility of handing over the WSA function that is currently performed by Ndlambe to be handed over to the National Department of Water Affairs and Sanitation.
SCOA	Approach Treasury and remind them of their commitment to partially assisting in financing the SCOA.
Meetings Schedules	Directorates and committees to liaise regarding meeting schedule and ensure timeous receipt of documents requiring oversight. Meeting schedule MUST be adhered to in order to submit documents timeously
2015 Matters	MPAC's points from 2015 report to be complied with
PMS	A councillor must be seconded to attend PMS meetings at Sarah Baartman District Municipality.

2.10 MUNICIPAL PERFORMANCE

2.10.1 Performance Framework

Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role players." This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

The municipality adopted a performance management framework that was approved by Council.

2.10.2 Implementation of Performance Management

Performance management is not only relevant to the organization as a whole, but also to the individuals employed in the organization as well as the external service providers. At present no electronic performance management system is in place which makes implementation a challenge.

2.10.3 Overall Service Delivery Performance

PERFORMANCE PLAN 2017/18 – INSTITUTIONAL							
Strategic Goal 1:	A premier place to work and do business						
Key performance area (Expected Impact):	Well-functioning Ndlambe Municipality						
Institutional Objective (OEG1.1:)	Improve the municipal systems operational efficiencies and governance of the municipality						
Focus Area	Programme	Strategic Initiatives	Indicator	Q1 Target	Q2 Target	Annual Target	Means of Verification
Operational efficiencies and governance	Unqualified audit	Unqualified audit 2018	OEG 1.1.1: 100% compliance with Audit Action Plan	100% compliance with Audit Action Plan	100% compliance with Audit Action Plan	Unqualified audit	Audit report
	Enhanced fiscal discipline programme	Centralise Supply Chain Management	OEG 1.1.2: % of Supply chain management carried out through a centralized system	Job evaluation descriptions developed	Potential Supply Chain Management interviewed	100% of municipality goods & services procured through a central system	Functional Centralised Supply Chain Management system
		Reduction of Irregular expenditure related to procurement documentation in line with legislation and SCM Policy	OEG 1.1.3: % reduction of irregular expenditure related to procurement documentation in line with legislation and SCM Policy	100% reduction of irregular expenditure related to procurement documentation in line with legislation and SCM Policy	100% reduction of irregular expenditure related to procurement documentation in line with legislation and SCM Policy	100% reduction of irregular expenditure related to procurement documentation in line with legislation and SCM Policy	Audit report
		Compliant budget adjustment approved by Council in terms of all legislated requirements by 28th February	OEG 1.1.4: % Compliant budget adjustment approved by Council in terms of all legislated requirements by 28th February			100% compliant budget adjustment approved by Council in terms of all legislated requirements by 28th February	Report on compliant budget adjustment approved by Council in terms of all legislated requirements by 28th February

		Supplementary valuation rolls as prescribed by the Municipal Property Rates Act No.6 of 2004, on all improvements to properties, subdivisions & consolidation done in the financial year	OEG 1.1.5: No. of supplementary valuation rolls in place				1 Supplementary valuation roll	Supplementary valuation reports
		Improve expenditure of allocated budgets	OEG 1.1.6: % Expenditure spend on approved budget	82% expenditure spend on approved budget	83% expenditure spend on approved budget	85% expenditure spend on approved budget	Expenditure reports	
		Compliance with budget preparation and budget related policies finalisation in accordance with the MFMA	OEG 1.1.7: % Compliance of budget preparation & budget related policies finalization within MFMA prescripts	100% compliance of budget preparation & budget related policies finalization within MFMA prescripts	100% compliance of budget preparation & budget related policies finalization within MFMA prescripts	100% compliance of budget preparation & budget related policies finalization within MFMA prescripts	Compliant budget preparation and budget related policies finalisation in accordance with the MFMA	
		Number of in year budget performance reports as required by MFMA submitted on time	OEG 1.1.8: % of in year budget performance reports as required by MFMA submitted on time	100% of in year budget performance reports as required by MFMA submitted on time	100% of in year budget performance reports as required by MFMA submitted on time	100% of in year budget performance reports as required by MFMA submitted on time	Compliant budget performance reports	
		Positive cash flow management according to MFMA and its regulations maintained	OEG 1.1.8: No. of positive cash flow management according to MFMA and its regulations maintained	3 positive cash flow management according to MFMA and its regulations maintained	3 positive cash flow management according to MFMA and its regulations maintained	12 positive cash flow management according to MFMA and its regulations maintained	Monthly Cash Flow reports	

		Reduction of irregular expenditure related to procurement documentation in line with legislation and SCM Policy	OEG 1.1.9: % reduction of irregular expenditure related to procurement documentation in line with legislation and SCM Policy	100% reduction of irregular expenditure related to procurement documentation in line with legislation and SCM Policy	100% reduction of irregular expenditure related to procurement documentation in line with legislation and SCM Policy	100% reduction of irregular expenditure related to procurement documentation in line with legislation and SCM Policy	Audit report
		Measures in place to monitor and control fruitless and wasteful expenditure	OEG 1.1.10: % Reduction in fruitless and wasteful expenditure	100% Reduction in fruitless and wasteful expenditure	100% Reduction in fruitless and wasteful expenditure	100% Reduction in fruitless and wasteful expenditure	Audit report
		Maximise interest returns on investment opportunities	OEG 1.1.11: % Interest returns			= or < 6% Interest returns	Investment Register
	Enhanced governance programme	Compliance with legislated SCM reporting requirement in line with SCM Policy and MFMA	OEG 1.1.12: % Compliance with legislated SCM reporting requirement in line with SCM Policy and MFMA	100% Compliance with legislated SCM reporting requirement in line with SCM Policy and MFMA	100% Compliance with legislated SCM reporting requirement in line with SCM Policy and MFMA	100% Compliance with legislated SCM reporting requirement in line with SCM Policy and MFMA	Compliant SCM reports
		Standard operating procedures operationalised in accordance with SCM policy and legislation	OEG 1.1.13: % operating procedures operationalised in accordance with SCM policy and legislation	100% Standard operating procedures operationalised in accordance with SCM policy and legislation	100% Standard operating procedures operationalised in accordance with SCM policy and legislation	100% Standard operating procedures operationalised in accordance with SCM policy and legislation	Standard operating procedures operationalisation reports
		Steps taken to mainstream the implementation of the SCM according to the policy and good practise	OEG 1.1.14: % Compliance with steps to mainstream the implementation of the SCM according to the policy and good practise	100% Compliance with steps to mainstream the implementation of the SCM according to the policy and good practise	100% Compliance with steps to mainstream the implementation of the SCM according to the policy and good practise	100% Compliance with steps to mainstream the implementation of the SCM according to the policy and good practise	Report on steps to mainstream the implementation of the SCM according to the policy and good practise

		Annual financial statements that are 100% compliant to GRAP Standards as per gazette issued by National Treasury	OEG 1.1.15: % of Annual financial statements that are 100% compliant to GRAP Standards as per gazette issued by National Treasury	100% of Annual financial statements that are 100% compliant to GRAP Standards as per gazette issued by National Treasury	100% of Annual financial statements that are 100% compliant to GRAP Standards as per gazette issued by National Treasury	Audit report
		Increase in the number of finance employees that are competent (SETA certification) on minimum	OEG 1.1.16: Increase in the number of finance employees that are competent (SETA certification) on minimum		7 finance employees that are competent (SETA certification) on minimum	HR Finance Skills reports
		Manage Systems and procedures to ensure all creditors paid within legislated or contractual deadlines	OEG 1.1.17: % Creditors paid within legislated 30 days or contractual deadlines	100% Creditors paid within legislated or contractual deadlines	100% Creditors paid within legislated or contractual deadlines	Outstanding Creditors Report
		Manage Systems and procedures to ensure all Councilors and employees are paid according to legislation, policy and conditions within legislated or contractual deadlines	OEG 1.1.18: % of councilors and employees are paid according to legislation, policy and conditions within legislated or contractual deadlines	100% of councilors and employees are paid according to legislation, policy and conditions within legislated or contractual deadlines	100% of councilors and employees are paid according to legislation, policy and conditions within legislated or contractual deadlines	Monthly payroll reports

		Manage Systems and procedures to ensure all Statutory Payments (PAYE, VAT, Levies, etc) are paid according to legislation, policy and conditions within contractual deadlines	OEG 1.1.19: % of Statutory Payments (PAYE, VAT, Levies, etc) paid according to legislation, policy and conditions within contractual deadlines	100% of Statutory Payments (PAYE, VAT, Levies, etc) paid according to legislation, policy and conditions within contractual deadlines	100% of Statutory Payments (PAYE, VAT, Levies, etc) paid according to legislation, policy and conditions within contractual deadlines	Statutory payments return forms
		Put in place asset management system with fixed asset register in place as prescribed by GRAP and the MFMA	OEG 1.1.20: % progress towards asset management system with fixed asset register in place as prescribed by GRAP and the MFMA	85% progress towards asset management system with fixed asset register in place as prescribed by GRAP and the MFMA	90% progress towards asset management system with fixed asset register in place as prescribed by GRAP and the MFMA	Asset Management System report and fixed asset register
		Account for, manage, and insure all municipality assets of the municipality managed	OEG 1.1.21: % of assets of the municipality accounted for, insured and managed	100% assets of the municipality accounted for, insured and managed	100% assets of the municipality accounted for, insured and managed	Insurance Portfolio and claims records
		Reduction of stock losses	OEG 1.1.22: % Reduction of stock losses	1% Reduction of stock losses	2% Reduction of stock losses	Stock losses reports
		Increased use mSCOA financial modules of system	OEG 1.1.23: No. of elements of mSCOA financial modules of system utilised	1 elements of mSCOA financial modules of system utilised	2 elements of mSCOA financial modules of system utilised	mSCOA modules utilisation reports

		Increase in number of staff trained to effectively use the mSCOA financial system	OEG 1.1.24: No. of staff trained to effectively use the mSCOA financial system			10 staff trained to effectively use the mSCOA financial system	mSCOA utilisation competency assessment
		Develop a framework for financial delegations of authority in place as prescribed by the MFMA	OEG 1.1.25: Framework for financial delegations of authority in place as prescribed by the MFMA	Framework for Financial Delegations of Authority	Framework for Financial Delegations of Authority	Framework for Financial Delegations of Authority	Framework for Financial Delegations of Authority
		Decrease in the number of qualification matters and matter of emphasis raised by the Auditor-General relating to finance to obtain a unqualified audit	OEG 1.1.26: No. of qualification matters and matter of emphasis raised by the Auditor-General relating to finance to obtain a unqualified audit	0 matters and matter of emphasis raised by the Auditor-General relating to finance to obtain a unqualified audit	0 matters and matter of emphasis raised by the Auditor-General relating to finance to obtain a unqualified audit	Unqualified audit report	Audit report
		Relevant advertisements and notices done within the legislated time frames	OEG 1.1.27: % Relevant advertisements and notices are done within the legislated time frames	100% relevant advertisements and notices are done within the legislated time frames	100% relevant advertisements and notices are done within the legislated time frames	100% relevant advertisements and notices are done within the legislated time frames	Advertisement / Notices
	Customer Care	Response time and resolution of complaints to be within 7 days of receipt	OEG 1.1.28: Reduction in response time and resolution of complaints to be within 7 days of receipt	Reduction in response time and resolution of complaints to be within 12 days of receipt	Reduction in response time and resolution of complaints to be within 10 days of receipt	Reduction in response time and resolution of complaints to be within 7 days of receipt	Complaints register

	Team building	Team building exercursion to enhance service delivery through motivation, silo elimination & discovery of new / latent skills [Corporate services, All]	OEG 1.1.29: Internal positive perception survey result - % Rapid response weekly meetings attendance & % items actioned - Meetings attended by lower level staff	50% Rapid response weekly meetings attendance & % items actioned % of lower level staff attending	60% Rapid response weekly meetings attendance & % items actioned % of lower level staff attending	Cohesive, efficient management team	Perception survey report - actioned items & attendance numbers
	Capacitation of Municipality workforce & Council	Closing of skills gap	OEG 1.1.30: % skills gap closed as per baseline	5% skills gap closed as per baseline	10% skills gap closed as per baseline	More efficient & effective workforce & council	Internal perception survey
	Wellness programme	Development of effective wellness program	OEG 1.1.31: % of days lost for sick leave	20% reduction of days lost as per baseline	30% reduction of days lost as per baseline	70% reduction of days lost as per baseline	Leave reports
	Libraries		OEG 1.1.31: Number of ventures increasing public access to libraries and information services				
	Employment Equity		OEG 1.1.32: % of the people employed must comply with the targets set in Employment Equity Plan for designated groups	Recruitment Prioritising designated groups	Sourcing of EE soft ware	Employment of staff from the designated groups and 1% percent from people with disability and one Indian person	EE Report
	Job Evaluation		OEG 1.1.33: Mechanisms for Job Evaluation put in place				
	Performance Management	A Municipal Performance Plan in place	OEG 1.1.34: Performance plan developed and adopted.				

		PMS Framework in place and cascaded to Supervisory and Management levels	OEG 1.1.35: PMS Framework reviewed and a plan to cascade in place					
		Enhance performance reporting	OEG 1.1.35: Municipal quarterly, mid-year and annual performance reports compiled according to applicable prescripts					
	Integrated Development Planning		OEG 1.1.36: Reviewed IDP annually and adopted according to applicable prescripts					
Institutional Objective (SAI1.2:) Develop state-of-the-art physical infrastructure								
Focus Area	Programme	Strategic Initiatives	Indicator	Q1 Target	Q2 Target	Annual Target	Means of Verification	
State-of- the-art physical infrastructure	CAPEX fund mobilization	No. of funding partnerships established & Target funds raised	SAI 1.2.1: No. of funding partnerships established & % of Target funds raised	Engagement with 10 potential funding partners		<R100m CAPEX funds raised	DORA & Confirmation letters	
State-of- the-art physical infrastructure	Bulk Water & Sewerage Infrastructure Development	Identification of potential projects & sites (Bulk water only)	SAI 1.2.2: Number and location of Identified projects and sites		Potential projects & sites identified	Potential projects & sites identified	Consultants' report	
			SAI 1.2.3: number of increased households with access to sanitation services					

		Pre-feasibility studies of identified infrastructure projects - to include integration into NM Master plan	SAI 1.2.4: Pre-feasibility studies of identified projects & sites				Pre-feasibility study completed	Pre-feasibility report
		Identification possible sources of funding & Development of Business Plans	SAI 1.2.5: Identified sources of funding & Business Plan of projects identified	Engagement with 10 potential funding & fund raising partners			10 Projects Identified & Business Plans Developed	Identified projects Report - Project Business Plans
		Development / Intensification of partnerships with funders & investors	SAI 1.2.6: No. of partners & funders engagement	2 Bulkwater partners (Rand Water, DBSA, Dept.WSA)			30% of successful engagements	MOUs
		Sourcing of funding	SAI 1.2.7: Confirmation of funding allocation				20% Funding confirmation letter / contract signed	DORA & Confirmation letters
		Feasibility studies of funded projects	SAI 1.2.8: Number of feasibility studies for funded projects completed				1st quarter 2018/19	Record of decisions (environmental impact assessment report) - Procurement documents
		Water Conservation & Demand Management Strategy development & Implementation (to include Harvesting of Rain & Storm Water)	SAI 1.2.9: Water Conservation & Demand Management Strategy	Engagement of / with water demand management specialist	40% progress on development of Water Conservation & Demand Management Strategy		Water Conservation & Demand Management Strategy Implemented	Strategy & Implementation Report
		Blue drop compliance (Water budget ring fencing, deal with process/ technical issues)	SAI 1.2.10: % Improvement in compliance	Action Plan in place	10% Progress on the implementation of the Action Plan		40% Progress on the implementation Plan - 45% Blue water compliance	Blue drop assessment report - Action Plan
		Green drop compliance (same as blue water issues)	SAI 1.2.11: % Improvement in compliance	Action Plan in place	5% Progress on the implementation of the Action Plan		25% Progress on the implementation of the Action Plan - 45% Blue water compliance	Green drop assessment report - Action Plan

	Roads & Storm Water infrastructure development programme	Roads condition assessment	SAI 1.2.12: Road categories and kilometers requiring maintenance & upgrading	100% Assessment complete	100% Assessment Report completed	Completed Assessment Report	Assessment Report
		Roads and Storm Water Master Plan Development	SAI 1.2.13: Roads & Storm Water Master plan development				Draft Roads Master Plan
		Identification of possible sources of Funding & Development of Business Plans	SAI 1.2.14: Identified sources of funding & Business Plan of projects identified	Engagement with potential funding & fund raising partners	Projects Identified & Business Plans Developed	Identified projects Report - Project Business Plans	Identified projects Report - Project Business Plans
		Sourcing of funding	SAI 1.2.15: Confirmation of funding allocation			DORA & Confirmation letters	DORA & Confirmation letters
	Green renewable energy infrastructure	Identification of possible sources of Funding & Development of Business Plans for electricity infrastructure construction, upgrading & maintenance (to include green sources of energy)	SAI 1.2.16: Identified sources of funding & Business Plan of projects identified	Engagement with potential funding & fund raising partners		Projects Identified & Business Plans Developed	DORA & Confirmation letters
		Sourcing of funding	SAI 1.2.17: Confirmation of funding allocation			DORA & Confirmation letters	DORA & Confirmation letters
	Town planning Estates & Building Control	Processing of Land use applications	SAI 1.2.18: No. of applications processed within legislated time	35% of applications processed within legislated time	40% of applications processed within legislated time	50% of applications processed within legislated time (legal compliance issue - should be 100%)	Updated land use register

		Identification of possible sources of Funding & Development of Business Plans for the Reviewing SDF & Developing an eCadaastre	SAI 1.2.19: Identified sources of funding & Business Plan identified			Identified sources of funding & Project Business Plan/s	Confirmation letters
		Engage in spatial re-engineering to close physical gaps & costly service delivery inefficiencies created by past spatial planning regimes	SAI 1.2.20: Reviewed spatial development framework in line with SPLUMA, Land audit, eCadaastre system in place	Engagement with potential funding & fund raising partners		An approved spatial development framework (Due 2018/19)	
		Framework for mixed housing development	SAI 1.2.21: Framework for mixed housing development in place		Framework for mixed housing development in place	Framework for mixed housing development in place	Mixed Housing framework report
		Leasing of caravan parks	SAI 1.2.22: Enhanced caravan park infrastructure	Engagement with potential funding & fund raising partners	Caravan infrastructure projects Identified & Business Plans Developed	20% Funding confirmation letter / contract signed	Confirmation letters
		Fleet management	SAI 1.2.23: % of Adequate fleet in place	Engagement with potential funding & fund raising partners	Fleet funding Business Plans Developed	20% Funding confirmation letter / contract signed	Confirmation letters
			SAI 1.2.24: Fleet management policy in place and implemented				

Develop a vibrant, rapidly growing, employment generating agri-based economy							
Institutional Objective (VAE 1.3:)							
Focus Area	Programme	Strategic Initiatives	Indicator	Q1 Target	Q2 Target	Annual Target	Means of Verification
A vibrant, rapidly growing, Agri-based, employment generating economy	LED agric-based projects funds mobilization	Identification of possible sources of funding for SMEs support for agriculture production, agro-processing - (Chicory, Horticulture, Dairy)	VAE 1.3.1: No. of identified sources of funding for SMEs development support, % engaged & % target funds raised	5 sources of funding identified SMEs development support, 50% potential partners / funders engaged	100% business plans for identified & engaged possible funders developed & submitted	50% of business plans submitted funded	DORA & Confirmation letters
		Agri-based projects implementation (Chicory, Horticulture, Dairy)	VAE 1.3.2: No. of SMEs horticulture projects at implementation stage			3 funded agri-based project implementation plans in place	Project implementation plans
Institutional Objective (VTE 1.4:)	Develop a vibrant, rapidly growing, employment generating tourism based economy						
Focus Area	Programme	Strategic Initiatives	Indicator	Q1 Target	Q2 Target	Annual Target	Means of Verification
A vibrant, rapidly growing, tourism based, employment generating economy	LED tourism projects funds mobilization	Identification of possible sources of funding for SMEs support for heritage tourism	VTE 1.4.1: No. of identified sources of funding for SMEs support for heritage tourism	5 possible sources of funding partners / instruments identified		5 possible sources of funding partners / instruments identified	List of possible sources of funding
		Development / Intensification of partnerships with possible funders & investors	VTE 1.4.2: % of identified potential SME heritage support partners & funders engaged		50% potential partners / funders engagements	50% of potential partners / funders engaged	MOUs, MOAs

		Sourcing of funding for SMMEs support for Heritage Tourism Projects	VTE 1.4.3: % of business plans for identified & engaged possible funders for SME heritage tourism support & developed, submitted & funded	100% business plans for identified & engaged possible funders developed & submitted		50% of business plans submitted funded	DORA & Confirmation letters
Institutional Objective (VOE 1.5:)	Develop a vibrant, rapidly growing, employment generating Oceans economy						
Focus Area	Programme	Strategic Initiatives	Indicator	Q1 Target	Q2 Target	Annual Target	Means of Verification
A vibrant rapidly growing Oceans economy	Blue Oceans economy program	Partner with global partners /investors advanced in opportunities in the Oceans economy	VOE 1.5.1: No. of Partnerships established / Investors			5 major investors / partners identified	Partnership agreement
		Sourcing of funding for the development of identified oceans economy initiatives (Development of small harbor in PA, Dredging of the Kowie river project, Kowie river banks rehabilitation project, Manufacturing, assembly and repairs of boats project)	VOE 1.5.2: % of potential initiatives funders engaged, business plans submitted & funded			50% of business plans submitted funded	DORA & Confirmation letters
		Sourcing of funding for the development of SMMEs and maritime skills	VOE 1.5.3: % of potential funders / partners for the development of SMMEs and maritime skills engaged , business plans submitted & funded			50% of business plans submitted funded	DORA & Confirmation letters

Institutional Objective (VNE 1.6:)		Develop a vibrant, rapidly growing, "New economy" employment generating based economy					
Focus Area	Programme	Strategic Initiatives	Indicator	Q1 Target	Q2 Target	Annual Target	Means of Verification
A vibrant rapidly growing "New economy" technologies based employment generating economy	"New" economy development programme for the youth	Promote new economy technologies: ITCs, Cyber security, Precision agriculture, Renewable energies (Solar, Hydrogen cell, Wind)	VNE 1.6.1: New economy strategy in place	New economy strategy in place		New economy strategy in place	New Economy Strategy Report
		Undertake feasibility studies for prioritized projects	VNE 1.6.2: Feasibility studies of new economy technologies prioritized undertaken			4 Feasibility studies of new economy technologies prioritized undertaken	Feasibility studies reports
		Establish linkages with BRICS partners	VNE 1.6.2: No. of linkages with BRICS partners established	Lobby DIRCO to leverage on BRICS membership		4 linkages with BRICS partners established	BRICS Linkages report
	Productivity & competitiveness programme	Use of Open Innovation platforms to gain competitive advantage	VNE 1.6.3: No. of Open Innovation platforms challenges		4 Open Innovation platforms challenges	4 Open Innovation platforms challenges	Open Innovations Challenges reports
Strategic Goal 2:		Destination of choice for living					
Key performance area (Expected Impact):		An attractive well run municipality with a vibrant wealthy community					
Institutional Objective (FVM 2.1:)		Improve financial viability of the municipality					
Focus Area	Programme	Strategic Initiatives	Indicator	Q1 Target	Q2 Target	Annual Target	Means of Verification

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT.

Financial viability of the municipality	Alternative funding options strategy	Identify alternative sources of funding & develop additional revenue generating strategies	FVM 2.1.1: % Target Budget realized	Business Plans of all service delivery projects	30% Budget realised	<R100m Budget	Memo, Municipal account
		Engage financial advisory services	FVM 2.1.2: Financial advisors in place	Engage & Contract financial advisors		Financial advisors in place	Contract / SLA
		Increase budget provision for asset repairs and maintenance	FVM 2.1.3: % Increased budget provision for asset repairs and maintenance			1% increased budget provision for asset repairs and maintenance	Asset repairs & maintenance budget
	Improved billing & revenue collection	Ensure optimal billing for services	FVM 2.1.4: No. of Meter reading reports	3 reports	3 reports	12 reports	Meter reading reports
		Revenue collection improvement	FVM 2.1.5: % Revenue collection efficiency	83% revenue collection efficiency	84% revenue collection efficiency	88% revenue collection efficiency	Revenue collection reports
Institutional Objective (CAS 2.2:)	Provide sustainable, efficient, cost effective, adequate and affordable services to all our citizens						
Focus Area	Programme	Strategic Initiatives	Indicator	Q1 Target	Q2 Target	Annual Target	Means of Verification
Sustainable, efficient, cost effective, adequate and affordable services to all our citizens	Changes to equitable share policy programme	Motivate changes to the equitable share policy to focus on need as opposed to population	CAS 2.2.1: No. of lobbying engagements for change equitable	1 lobbying engagement for change equitable	1 lobbying engagement for change equitable	4 lobbying engagement for change equitable	COGTA engagement report
	Reduction of Inequality	Engage in spatial re-engineering to close physical gaps & costly service delivery inefficiencies created by past spatial planning regimes	CAS 2.2.2: Reviewed spatial development framework with SPLUMA, Land audit, eCadastral system in place	Engagement with potential funding & fund raising partners		An approved spatial development framework (Due 2018/19)	Equitable access to socio-economic infrastructure report

		Participation of previously disadvantaged groups in the local economy put in place	CAS 2.2.3: No. of projects for participation of previously disadvantaged groups in the local economy put in place	1 Cooperative bank to focus on Coops		2 SMME support projects launched	Project reports
		Improvement in the implementation of Indigent Policy	CAS 2.2.4: % Indigent households having access to free basic services	100% indigent house holds having access to free basic services	100% indigent house holds having access to free basic services	100% indigent house holds having access to free basic services	Indigent access to basic services reports
	Social Issues & Special Projects / Programmes	Develop Special Projects Unit strategy and policy for the unit	CAS 2.2.5: Strategy and policy for the Special Projects unit in place		Strategy and policy for the Special Projects unit in place	Strategy and policy for the Special Projects unit in place	Special Projects Policy & Strategy report
		Establish Youth, Women & Disability Forums	CAS 2.2.6: Youth, Women & Disability Forums in place			Youth, Women & Disability Forums in place	Youth, Women & Disability Forums reports
		Improve coordination & stakeholder management	CAS 2.2.7: % well coordinated events & stakeholder engagements	100% well coordinated events & stakeholder engagements	100% well coordinated events & stakeholder engagements	100% well coordinated events & stakeholder engagements	Coordinated events & stakeholder engagements reports
		Make noise and be heard for each deliverable milestone	CAS 2.2.8: % of milestones broadcast	100% of milestones broadcast	100% of milestones broadcast	100% of milestones broadcast	Milestones broadcast report
			CAS 2.2.9: No. of Programmes to minimise the socio-economic impact of HIV/AIDS in place				
Institutional Objective (SSE 2.3:)	Create a safe and secure living environment						
Focus Area	Programme	Strategic Initiatives	Indicator	Q1 Target	Q2 Target	Annual Target	Means of Verification

A safe and secure living environment	Safe, secure & healthy neighborhoods programme	Identify key projects & Funding sources / mechanisms	SSE 2.3.1: Identified sources of funding & Business Plan of the identified projects	Engagement with fund raising partners	Sources of funding Id & Business Plan of the identified projects developed	Sources of funding Identified & Business Plan of the identified projects developed	DORA, Finance - Rates & Taxes receipts, Business Plans
		Source the required funding for identified projects	SSE 2.3.2: % Funding received from the business plans			5% Funding confirmation letter / contract signed	Confirmation letters
		Engagement with potential litigators	SSE 2.3.3: No. of engagements with potential litigators	2 engagements with potential litigators	2 engagements with potential litigators	6 engagements with potential litigators	Minutes & registers of stakeholder engagements
		Enhancement of by-laws enforcement	SSE 2.3.4: % of reported infringements (written / verbal warning/ fines / court outcomes) comprehensively dealt with	10% of reported infringements comprehensively dealt with	10% of reported infringements comprehensively dealt with	25% of reported infringements comprehensively dealt with	Reported infringements (written / verbal warning/ fines / arrests / court outcomes) comprehensively dealt with
		Enhancement of traffic management services - (Traffic - Drivers / learners licenses & motor vehicle licences)	SSE 2.3.5: Required traffic management measures are implemented according to legislation	100% compliant with national legislation	100% compliant with national legislation		
			SSE 2.3.6: % of all applications of all learners and drivers licenses is completed within the confirmed timelines	50% of all applications of all learners and drivers licenses is completed within the confirmed timelines	60% of all applications of all learners and drivers licenses is completed within the confirmed timelines	75% of all applications of all learners and drivers licenses is completed within the confirmed timelines (Bookings Backlogs to be addressed when extra resources are available)	Completed applications and examination reports, - Bookings backlog report

		Improve the effectiveness of fire & emergency services in the whole of Ndlambe municipality	SSE 2.3.7: % of all reported fire and emergency related incidences are dealt with comprehensively	60% of all reported fire and emergency related incidences are dealt with comprehensively	65% of all reported fire and emergency related incidences are dealt with comprehensively	75% of all reported fire and emergency related incidences are dealt with comprehensively	Incident report
		Improve the effectiveness environmental health services in Ndlambe	SSE 2.3.8: % of applications & random inspections of food premises carried through to completion	60% of applications & random inspections of food premises carried through to completion	70% of applications & random inspections of food premises carried through to completion	80% of applications & random inspections of food premises carried through to completion	Business licenses, Certificate of acceptability, Completed inspection tools, compliance notices
			SSE 2.3.9: % of reported notifiable medical conditions from within Ndlambe carried out	60% of reported notifiable medical conditions carried out	60% of reported notifiable medical conditions carried out	60% of reported notifiable medical conditions carried out	Hospital report, Environmental health practitioners report
		Improve the effectiveness of waste & cleansing services in Ndlambe - Zero waste campaign (proactive recycling - link with SMME development)	SSE 2.3.10: % of refuse removals and cleansing services carried out as per relevant schedules	60% of refuse removals and cleansing services carried out as per relevant schedules	70% of refuse removals and cleansing services carried out as per relevant schedules	75% of refuse removals and cleansing services carried out as per relevant schedules	Refuse removal and cleansing services carried out according to the relevant schedules
			SSE 2.3.11: % of waste separation at source / processed where measuring equipment exists	5% of waste separation at source / processed where measuring equipment exists	10% of refuse removals and cleansing services carried out as per relevant schedules	20% of waste separation at source / processed where measuring equipment exists	Zero waste campaign report

		Improve the effectiveness of the Parks & recreation services in Ndlambe covering parks, public open spaces, sports fields & cemeteries	SSE 2.3.12: % of complaints on unkempt parks, public open spaces, cemeteries attended to	40% of complaints on unkempt parks, public open spaces, attended to	50% of complaints on unkempt parks, public open spaces, attended to	Improved Parks & recreation services in Ndlambe covering parks, public open spaces	Complaints register, Verification forms
			SSE 2.3.13: No of Maintenance carried out on sports fields & cemeteries & recreational areas as per maintenance schedule	50% of Maintenance carried out on sports fields & cemeteries & recreational areas as per maintenance schedule	50% of Maintenance carried out on sports fields & cemeteries & recreational areas as per maintenance schedule	Effective Maintenance of sports fields & cemeteries & recreational areas	Maintenance schedule
Institutional Objective (LHE 2.4:)	Position the municipality as a learning hub of excellence						
Focus Area	Programme	Strategic Initiatives	Indicator	Q1 Target	Q2 Target	Annual Target	Means of Verification
Ndlambe municipality as a learning hub of excellence	Entrepreneurship development programme	Partner with SGBs to promote entrepreneurship at school level through conditional funding	LHE 2.4.1: No.of conditional funding programmes in place	10% of SGBs engaged	15% of SGBs engaged	30% of SGBs engaged	Entrepreneurship bursaries
	Centres of excellence programme	Develop centres of excellence - (Agriculture, Aviation, New economy technologies) (LED)	LHE 2.4.2: No.of strategic partners engaged successfully	2 strategic partners engaged	3 Strategic partners engaged	3 Partnership agreements in place	Partnership agreements
		Provide conditional bursary schemes for youth artisanal & new economy skills training	LHE 2.4.3: No. of conditional bursaries awarded	Development of business plans	Submission as part of the work skills plan, Processing of applications	Monitoring & evaluation	Awarded bursaries

Strategic Goal 3:	Tourist destination of choice for people who love natural and cultural heritage, and adventure water sports						
Key performance area (Expected Impact):	Premier tourist destination attracting large numbers of tourists boosting the local economy						
Institutional Objective (NBE 3.1:)	Preserve the natural beautiful environment						
Focus Area	Programme	Strategic Initiatives	Indicator	Q1 Target	Q2 Target	Annual Target	Means of Verification
Natural beautiful Ndlambe Municipality environment	Environment Protection Programme	Effective environmental education & awareness	NBE 3.1.1: No. of adults & scholars serviced in line with environmental themes & number of programs as per environmental calendar	300 adults & scholars serviced in line with environmental themes & 6 programs as per environmental calendar	500 adults & scholars serviced in line with environmental themes & 8 programs as per environmental calendar	1600 adults & scholars serviced in line with environmental themes & 26 programs as per environmental calendar	Education awareness verification document
		Blue flag beach management (Impact on tourism)	NBE 3.1.2: No. of beaches obtaining full blue flag status and pilot blue flag beach status	Application for Blue Flag Status to the International jury	2 Blue Flag status beaches & 3 pilot blue flag status beaches	2 Blue Flag status beaches & 3 pilot blue flag status beaches	Blue flag applications POEs and Blue flag certificates, blue flag inspections sheets
		Environmental compliance	NBE 3.1.3: No. of law enforcement patrols carried out estuaries, beaches, nature reserves (Impact of patrols, reduced violations)	30 law enforcement patrols carried out estuaries, beaches, nature reserves	80 law enforcement patrols carried out estuaries, beaches, nature reserves	200 law enforcement patrols carried out estuaries, beaches, nature reserves	Patrol sheets, fines and written warnings issued

	Nature reserve management	NBE 3.1.4: Ecological capacity of the reserve not exceeded, effectively manage the accommodation estb in the reserve including maintenance of hiking trails, No. of fence patrols	Carrying capacity 100%	Carrying capacity 100%	Carrying capacity 100%	Game count surveys & records	
	Disaster management programme	NBE 3.1.5: Disaster avoidance / mitigation & management strategy & plan in place	Disaster avoidance / mitigation & management strategy & plan in place	Disaster avoidance / mitigation & management strategy & plan in place	Disaster avoidance / mitigation & management strategy & plan		
Institutional Objective (EWS 3.2:)	Develop and support adventure and extreme water sports						
Focus Area	Programme	Strategic Initiatives	Indicator	Q1 Target	Q2 Target	Annual Target	Means of Verification
Support for adventure and extreme water sports	Ndlambe signature events	Develop concept document to create partnership with events of: • Bathurst Ox braai • Bathurst Agricultural Show • 4x4 Rally in Bathurst and Mansfield • Rowing • Anything that floats (Kenton on Sea)	EWS 3.2.1: Concept document developed and discussed with potential signature events partners	Concept document developed and discussed with potential 2 signature events partners	Concept document developed and discussed with potential 2 signature events partners	Concept document developed and discussed with potential 5 signature events partners	MOUs, MOAs
		Develop calendar of signature events	EWS 3.2.2: Adventure & extreme sport Signature events calendar in place	Adventure & extreme sport Signature events calendar in place	Adventure & extreme sport Signature events calendar in place	Adventure & extreme sport Signature events calendar in place	Signature events calendar

2.11 SUMMARY AND CHALLENGES

Early indications are that the performance against the output and goals of the Service Delivery Budget Implementation Plan (SDBIP) are on track, however, a few projects/programs are lagging behind due to cash flow.

The performance assessments have not yet been conducted for the first two quarters due to contracts of Senior Managers ending and new appointments.

QUALITY CERTIFICATE


I, **ROLLY DUMEZWENI** the Municipal Manager of Ndlambe Municipality hereby certify that;

- The monthly budget statements
- Quarterly report on the implementation of the budget and financial state affairs of the Municipality
- Mid – year budget and performance assessment

For the month of December of 2017 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

ROLLY DUMEZWENI

Municipal Manager of Ndlambe Municipality

Signature 
Date 25/01/2018

ANNEXURE D

OVERSIGHT REPORT 2016/2017

2016/17

NDLAMBE MUNICIPALITY



OVERSIGHT REPORT

Councillor T Mbunge (ANC) - Chairperson

Councillor M Raco (ANC)

Councillor M Mateti (ANC)

Councillor T Mbekela (DA)

Councillor K Daweti (DA)



THIS OVERSIGHT REPORT IS
BASED ON THE ANNUAL REPORT
OF 2016/17 FINANCIAL
PERIOD AND IS DRAFTED AND
SUBMITTED IN ACCORDANCE TO
THE MUNICIPAL FINANCE
MANAGEMENT ACT (MFMA),

OVERSIGHT REPORT 2016/2017

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OVERSIGHT REPORT 2016/2017

1. Statement of purpose of the Oversight Report

The Annual Report is a key instrument of transparent governance and accountability. It is a post financial year document which provides an overview of the process of financial and non-financial performance in respect of the previous financial period, in this case 2016/2017. The adoption of an Annual Report is legislated requirement in terms of the Local Government: Municipal Financial Management Act 56 of 2003 (MFAMA).

1.1 Purpose

The purpose of this report is to present to Council for adoption, the final Annual Report for 2016/2017 as well as the Oversight Report on the Annual Report as required in terms of Section 129 of the MFMA, Act 56 of 2003.

It is important to have some understanding of the accountability framework for municipalities in order to correctly comprehend the role of the Oversight Report as distinct from that of the Annual Report and any other reports required from the municipality by the Constitution, Acts, regulations or Circulars.

The following table displays the nature of the culpability framework for local government:

	Responsible for	Oversight over	Accountable to
Council	Approving policy and budget	Mayor & Executive Committee	Community
Mayor & Executive Committee	Policy, budgets, outcomes, management of/oversight over municipal manager	Municipal Manager	Council
Municipal Manager	Outputs and implementation	Administration	Mayor & Executive Committee (Council)
Chief Financial Officer and Senior Managers	Outputs and implementation	Financial management and operational functions	Municipal Manager
Internal Audit Unit	Objective assurance	Internal Controls, Compliance and Risk Management	Audit and Performance Committee

The Oversight Report is the final major step in the annual reporting process of a municipality. Section 129 of the Municipal Finance Management Act requires the council to consider the annual report of its municipality and to adopt an "Oversight Report" containing the council's comments on the annual report.

The Oversight Report is a distinct product from the Annual Report.

The Annual Report is submitted to the Council by the Accounting Officer, Adv. R Dumezweni and the Mayor, Cllr. P Faxi and is part of the process for discharging accountability by the executive and administration for their performance in achieving objectives and goals set by the municipality in the 2016/17 financial year. The Oversight Report follows consideration and

OVERSIGHT REPORT 2016/2017

consultation on the Annual Report and is considered to be a report of the municipal council to the community disclosing the level of success or otherwise, obtained with meeting the priority needs and stated desires of the community as contained in the IDP.

2. The Municipal Public Accounts Committee

The establishment and compilation of Council's Municipal Public Account Committee in August 2016, was in terms of Section 79 of the Municipal Structures Act, 1998. The Municipal Public Account Committee is comprised of non-executive Councillors represented by most political parties and a Chairperson was elected by full council on the 18 August 2016. The term of the committee is considered to be 5 years unless recalled, resign or disbanded.

The Ndlambe Municipal Public Accounts Committee consists of the following Councillors:

Councillor T Mbunge (ANC)
Councillor M Raco (ANC)
Councillor M Mateti (ANC)
Councillor T Mbekela (DA)
Councillor K Daweti (DA)

Councillor T Mbunge (ANC) serves as chairperson of the committee.

3. The Functions of the Municipal Public Accounts Committee:

- a) Undertake a review and analysis of the Annual Report.
- b) Invite, receive and consider inputs from Councillors and officials on the Annual Report.
- c) Consider written comments received on the Annual Report from the public consultation process.
- d) Conduct Strategic Planning session.
- e) Preparation of the draft Oversight Report, taking into consideration the views and inputs of the public, representative(s) of the Auditor General, organs of state, Council's Audit & Performance Committee, political Parties and Councillors.
- f) Receive and consider Council's Audit & Performance Committee views and comments on the annual financial statements and the performance report.
- g) Adhere to the Charter and the Terms of Reference

4. Summary of Findings relating to the Annual Reporting Process

The following table summarises the respective findings of the Municipal Public Account Committee relating to the process followed in compiling the Annual Report and resultant Oversight Report in comparison to the process required by statute.

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Reservation Expressed by the Municipal Public Account Committee	Actions required	Due Date
The Annual Report was submitted to Council on the legislated date. The Council meeting was held on the 30 January 2018.	The mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control.	31 January 2018
The preparation and adoption of the annual report within 9 months after the end of the financial period.	The council of a municipality must within nine (9) months after the end of a financial year deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with section 129.	31 March 2018

5. Summary of Representations received from the Community and Others

The following table reflects the key written representations received from the respective bodies/individuals relating to the contents of the Annual Report:

Representation Submitted by:	Key Issues Raised:	Determination by MPAC
<i>Individual councillors (in particular, ward councillors)</i>	<ul style="list-style-type: none"> None. 	<ul style="list-style-type: none"> That in future, councillors must be invited in the session where annual report is discussed by MPAC and give their inputs.
<i>Auditor-General</i>	<ul style="list-style-type: none"> They were invited to make their representation in front of the MPAC. Did attend the MPAC Strategic Session that was schedule for the 14 March 2017. Their inputs form part of the action plan and minutes attached. 	<ul style="list-style-type: none"> Audit Action Plan should be made a standing item of the MPAC for the committee to be able to monitor and make recommendation.
<i>SAMWU & IMATU</i>	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Involve the unions as part of the stakeholders to improve audit outcomes.
<i>Audit & Performance Committee</i>	<ul style="list-style-type: none"> They were invited to attend the Strategic Session of the MPAC. They submitted a report that forms part of the annexures of the Annual report from the Audit & Performance Committee. 	<ul style="list-style-type: none"> Did not attend the strategic session but gave inputs through the report included in the Annual Report.
<i>Other spheres of government</i>	<ul style="list-style-type: none"> The Department of Local Government and Traditional Affairs did not attend the meeting and did not submit any issues 	None

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Representation Submitted by:	Key Issues Raised:	Determination by MPAC
	they identified. • Provincial Treasury did not attend nor submitting a representation. • Ndlambe Ratepayers Association Presented on 14/03/2018	Presentation has been included in this report.
Others: SANCO, Farmer's Association & Public	• None	• These stakeholders will need to be engaged through Public Participation.

The Municipal Public Accounts Committee noted with concern, the lack of comment in respect of the Annual Report from the Ward Committees and Public. Efforts were made to encourage public participation by means of advertising, radio slots and the public MPAC meeting and inviting responses to the Annual report. No input was received despite efforts; however the process will be improved going forward.

6. 2016/2017 Annual Report Consultation Process

- a) The Annual Report was tabled at an open Council Meeting on 30 January 2018.
- b) The communities were advised through print media and the Municipal website of the availability of the annual report and were invited to submit representations on the report.
- c) The Annual Report was available at all municipal libraries and identified offices. The Annual Report was also submitted to the Auditor General, Provincial Treasury and the Department of Local Government and Traditional Affairs.
- d) At the closing date for public submissions (23 February 2018), no submissions had been received from the public.
- e) All stakeholders were invited to the Strategic Session held on the 14 March 2018

6.1 Legislative process followed when dealing with the Annual Report

ACTIVITY DESCRIPTION	PROVIDE FOR BY
Preparation of annual statements of the municipality and submission to the Auditor General	MFMA Section 122(1)(2)
Receipt of final report from Auditor General	MFMA Section 126(3)(b)
Tabling of Annual Report in Council by Executive Mayor	MFMA Section 127(2)
Allowing for comment by Community and relevant state organs	MFMA Section 127(5)(a)&(b)
Corrective actions to AG's opinion formulated and tabled in Council	MFMA Section 121(3)(g)
Consideration and adoption of Annual Report and Oversight Report	MFMA Section 129(1)
Submission of Annual Report and Oversight Report to AG, Provincial Treasury and MEC: Local Government	MFMA Section 129(2)(b)
Communication of final Annual Report and Oversight Report	MFMA Section 129(3)

OVERSIGHT REPORT 2016/2017

(website, hard copies and other mediums)	
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7. Summary of Reservations Expressed and Corrective Actions required

RESERVATION	ACTION PLAN
Absenteeism of the key stakeholders	<ul style="list-style-type: none"> Executive Committee member must be invited to MPAC meetings when dealing with Annual Report. Provincial Treasury and COGTA must be invited in the MPAC meetings. Audit & Performance Committee must be represented in the MPAC when Annual Report is interrogated. The district's inputs must be sought and discussed by MPAC during its meetings.
Oversight Report.	<ul style="list-style-type: none"> That the Oversight Report be made available to all councillors. That the resolutions and actions be given to councillors.
Audit Opinion	<ul style="list-style-type: none"> That the municipality achieve an Unqualified Audit Report.
Supply Chain Management	<ul style="list-style-type: none"> Centralisation of SCM must be expedited. Advertising and filling the post of Contract manager. Do Follow – up on all other AGSA findings and mitigate them from reoccurring.
Performance Management System	<ul style="list-style-type: none"> That the municipality must utilise the forged links with the SBDM with regards to PMS. Councillors and officials are trained on PMS. Councillor and Official from Municipality to attend so that there is better understanding of the PMS.
Revenue Collection	<ul style="list-style-type: none"> Indigents must be registered for free basic services
Credibility of the municipal Budget.	<ul style="list-style-type: none"> That the municipality budget must cater for depreciation and any other non-cash backed items appropriately.
Deviations from the SCM Policy	<ul style="list-style-type: none"> That the municipality reduce the number of deviations. That the annual tender that cover the refuse collection, repairing of street lights and high mask.
Water and Electricity losses	<ul style="list-style-type: none"> That the district must only take the Water Service Authority but not the Water Service Provider status. That the team of plumbers who fix the meters, and taps must be spread through the whole of Ndlambe That the position of Water Manager be filled. Manelec must be minimizing the electrical losses

OVERSIGHT REPORT 2016/2017

RESERVATION	ACTION PLAN
Blue and Green drop	<ul style="list-style-type: none"> That the maintenance budget must be able to address this matter.
Water shortages	<ul style="list-style-type: none"> That the Alexandria water cuts will continue until the problem is solved. That the municipality must develop plans on how the bulk water supply requirements and water quality problems will be addressed.
Litigations	<ul style="list-style-type: none"> That the councillors support the municipality in implementation of the court judgement. That the cattle owner be persuaded to sell their cows to meet the commonage capacity.
Awarding of tenders	<ul style="list-style-type: none"> That not only the lowest tenderer will be awarded the tender. That no more top-ups will be done. Bill of quantities be done to determine the contract amount.
Declarations by officials	<ul style="list-style-type: none"> That the declarations be made by all officials and councillors who have business interests. That the AGSA be approached to share its CAATS system with the municipality for it to be able to vet service providers.
Communication	<ul style="list-style-type: none"> The municipality must respond to the letters they receive Feedbacks must be prompt and be done either by email or website notices. Relevant documents must be posted in the website. Agendas with minutes of the previous meetings must be distributed much earlier to the meetings. Reports must include current information and the municipality must avoid cut and paste.
Road Maintenance	<ul style="list-style-type: none"> Measurable increase in the roads being maintained must be reported by the municipality

OVERSIGHT REPORT 2016/2017

RESERVATION	ACTION PLAN
	<ul style="list-style-type: none"> Progress on road maintenance must be reported to the community via media or website
Local Economic Development	<ul style="list-style-type: none"> An Indaba to be held with all stakeholders (including organised Business, Farmer's Associations, Tourism) to formulate a Blue print on the way forward to achieve viable sustainable economic development in Ndlambe to develop job creation. That the Eastern Cape Farmers Union be approached to assist the emerging commercial farmers.
Annual Reports	<ul style="list-style-type: none"> That this document must not be a carbon of a previous financial period.
Security	<ul style="list-style-type: none"> That the municipal workshops be highly secured. That the sewer plants be secured to avoid copper theft.
Actions	<ul style="list-style-type: none"> That the quick- wins must be addressed as soon as possible
Compliance Calendar	<ul style="list-style-type: none"> That the IDP/PMS Manager develops the calendar by the end of April 2018. That the MPAC monitors the implementation of the Audit action plan and SDBIP on quarterly basis.

8. Submissions from the MPAC

During the Strategic Planning session, stakeholders made presentations and commitments. These presentations are listed under **ANNEXURE A**

9. Minutes of the Meetings of the MPAC

The MPAC minutes are included in the **ANNEXURE B**

10. Recommendations to Council

The council of a municipality must consider the annual report of the municipality and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127, adopt an oversight report containing the council's comments on the annual report, which must include a statement whether the council—

- (a) has approved the annual report with or without reservations;
- (b) has rejected the annual report; or
- (c) has referred the annual report back for revision of those components that can be revised.

OVERSIGHT REPORT 2016/2017

Based on the above mentioned section of legislation, the resolution of Council at the meeting where the final version of the Oversight Report will be considered will be as follows:

- Council approves the 2016/17 Annual Report with reservations as included in the comments in the Oversight Report and;
- The Council having fully considered the 2016/17 Annual Report of the municipality and representations expressed made thereon, adopts the 2016/17 Oversight Report and;
- Council requests the Mayor to report to council on progress with execution of the corrective actions contained in the Oversight Report.

By doing so, the council complies with section 127(2) of the MFMA which stipulates that the Mayor must table the Annual Report within 7 months after the end of the financial period i.e by the **31 January 2018**.

Furthermore, the Council of Ndlambe Municipality would have met the requirement of engaging with and finalizing the Annual report within 9 months after the end of the financial period, which is the or before the 31 March 2018.

Closing Remarks from the Chairperson – Cllr T Mbunge

The Municipal Public Accounts Committee report will only be effective when they:

- Reflect the tone of the hearing and the weight of its concerns.
- Spell out the committee's reasoning in a brief summary based on relevant facts, figures & examples
- Contain conclusions that are tightly argued and which support specific, realistic recommendations.
- Are accurate and are substantially based on the evidence gathered.
- Are direct and easy to read

OVERSIGHT REPORT 2016/2017

11. ANNEXURE A: PRESENTATIONS AND SUBMISSION BY STAKEHOLDERS

The NRF Presentation to Municipal Public Accounts Committee (mPAC) of the Ndlambe Municipality 14th March 2018

NRF Background

The NRF is a non-political organization which does not align itself to any political party or movement.

The objects of the NRF are:

- To protect and promote the common interests of ratepayers and residents, who are members of voluntary associations, regarding the activities of all levels of government including local, provincial and national government.
- To make representations including the lodging of objections and appeals to the Ndlambe Municipality, and any other relevant Government authority.
- Membership of the NRF shall be open to any voluntary association representing individual ratepayers and residents located within the area of operations of the NRF.
- Each Association has its own constitution.
- Present constituents, represented by the chairpersons of the individual Associations on the NRF are:-

Port Alfred Ratepayers Association: Kanton-on-Sea Ratepayers Association:
Bushman's Rate payers Association: Bolosa Ratepayers Association:
Cannon Rocks Ratepayers Association: A. Kleinmondse Ratepayers Association

THE NRF ISSUED 4 CHALLENGES TO THE NDLAMBE MUNICIPALITY at the mPAC presentation dated 16th March 2016

Where the NRF would like to see improvements during 2017 & 2018 FY

1. Communication – Prompt reply or verbal feedback to all correspondence.
2. Water – Plans on how the bulk water supply requirements and water quality problems will be addressed.
3. Road maintenance – Measurable increase in the roads being maintained.
4. Local Economic Development – An Indaba to be held with all stakeholders (including organized Business, Farmer's Associations, Tourism) to formulate a 'blue print on the way forward' to achieve viable sustainable economic development in Ndlambe to develop job creation.

Communication – no real improvement

1. Although communication has improved there are numerous areas where letters to the Directors or Municipal Manager are sometimes acknowledged but very rarely responded to. The NRF by Monday 12th still had not received an official notice of this of this mPAC meeting.
2. According to Section 5 (1) (b) of the Local Government: Municipal Systems Act (No. 32 of 2000) members of the local community have a right "to prompt responses to their written and oral communications, including complaints, to the municipal council and or to another political structure or an office bearer or the administration of the municipality." Ndlambe's Mayor, MM and all Directors are still guilty of non-compliance of the above regulation.
3. From the above it appears that Ndlambe does not take ratepayers or residents seriously- they are just ignored.

Communication continued

4. Scheduling of meetings with virtually no notice is still an ongoing problem.
5. Minutes only being distributed the day before the meeting.
6. Changing meeting dates with minimum notice is a common practise.
7. All relevant Documents are not posted onto the Ndlambe website.

Water - no improvement

1. There is no clarity or plan on the future of Ndlambe's future water supply – what has happened to the billion rand Sandile dam scheme?
2. Reported in 2014/2015 and 2015/2016 (all cut and paste). Potable, treated water is piped to all formal urban communities within Ndlambe, and is available to the vast majority of households. However, some of the Bathurst and Tsappe's Valley communities still rely on rainwater and private boreholes. No improvement. What has been done since 2014 to address this?
3. There is never any report back to the Rate Payers or the Press on the progress of Amatole Water's ability to complete the "quick wins project" or their inability to complete their tasks.
4. South Africa is "dry country" and water is going to be critical for any meaningful future development and unless long term plans are made we will be like Cape Town – facing zero water in our taps!
5. In the AG report for 16/17 it states Ndlambe lost 12 million Rand due to faulty meters and incorrect meter readings. If a person can not read a meter get some one who can do it properly. Fix the meters if we are losing so much revenue!

OVERSIGHT REPORT 2016/2017

11. ANNEXURE A: PRESENTATIONS AND SUBMISSION BY STAKEHOLDERS

Water - comments in the Annual Report 2016/17

COMMENT ON WATER AND SANITATION SERVICES PERFORMANCE OVERALL

This section in the annual report is a cut and paste from 2014/2015 annual report. Comparing the two reports 2014/2015 and 2016/ 2017 improvements on the following need to be addressed is identical in both reports:-
Insufficient supply
Aged infrastructure
Poor quality of low cost house plumbing
Source quality of water

Road Maintenance

1. Roads - Paving is ongoing and appears to be successful. It has been noticed that the contractors never clear the site when they have finished the job.
2. Maintenance - It is essential to keep weeds and grass from growing between the pavers - this is not being done.
3. Potholes - It appears that the potholes are winning the battle as there seem to be more potholes developing than the pothole gangs can fix. Productivity amongst the pothole workers appears to be very low as most employees are just standing around observing whilst one or two actually work.
4. Slurry sealing appears to be the best solution and those roads that have been sealed are holding up well.
5. The Municipality should report progress on a monthly basis - pot holes filled, meters of paving and meters sealed with slurry.
6. In the 2016/17 Annual Report items are just a cut and paste mostly from the 2014/2015 annual report
7. To keep on repeating Stewart Scott's 2004 road management report and figures and amounts for road maintenance service serves no purpose - It is way out of date.
There is clearly no plan to address the road maintenance problem.

Local Economic Development

As far as the NMF is concerned we are not aware of any blue print or horizon as requested which was done during the 2016/17 period

PREVIOUS COMMENT ON FARMING:

Previous Annual Reports LED's are all cut and paste. Even from 2014/2015, 2015/2016

Ndlambe Municipality has a huge scope to increase and intensify cattle farming and goat farming as key food farming enterprises to emerging farmers and commercial farmers.

This has been repeated since the 2014/2015 annual report, what has been done to develop farming?

Has Eastern Cape Farmers Union been approached to assist?

PREVIOUS COMMENT ON LOCAL JOB OPPORTUNITIES:

Use stock farming

Again a cut and paste from the 2014/2015 and 2015/2016 and again in 2016/2017 Annual Report.

However, local cattle farming in the Ndlambe Municipal area have great potential that needs to be developed. Any interventions done should seek to change the picture in favour of black farmers be it those farming in townships or in land reform farms.

There is a huge need to commercialise livestock farming in Coromangwe. If this is done there is an opportunity to create community wealth and more jobs. What was done since 2014/15 report to develop livestock farming?

Annual Report 2016/17

This annual report every year is a carbon of the previous years report that is basically a cut and paste version with only dates, tables and minor items changed.

For example the NMF executive summary is exactly the same as the previous year with only dates and numbers changed!

Ndlambe 17/18 Budget

Executive Summary by Municipal Manager Pages 5 and 6 summaries do not add up:-

Revenue	Amount	% of Budget
Adm	R99 664 000	51.56
Water	R27 020 000	8.56
Electricity	R58 510 000	18.58
Sewerage	R5 978 000	1.26
Refuse	R8 610 000	2.73
Rental	R187 782 000	82.82
Total Budget as per MM	R334 834 000	200.00
Shortfall	R137 632 000	37.18
Grants	R35 414 000	
Expenditure		
Employees	R122 744 000	43.09
Expenditure General	R179 063 000	47.95
Expenditure repairs	R19 030 000	6.22
Employee Contributions	R14 538 000	4.75
Total Budget as per MM	R335 375 000	200.00
Expenditure exceeds Revenue	R20 539 000	
a.b Wage related %	R157 282 000	45.64

Adjustment Budget 2017/18

The adjustment budget appears just to be a cut and paste job with very little thought going into the wording or to have realistic adjustments.

Item	Budget	Variance	Adjusted budget	% Increase
Casuals	R1 286 987.00	R1 229 838.00	R2 516 255.00	95.58
Overtime	R2 562 069.00	R3 205 852.30	R5 768 001.30	125.19

Ndlambe agreed during the completion of the 2017/18 to cut back on the excessive overtime and casuals! These items have obviously now gone over budget and are now given excessive increases in the adjustment budget! The items where budgets have been reduced to cater for the overspending on Rams like overtime should be clearly documented - they are not.

There are numerous examples of cutting and pasting in the 2017/18 adjustment budget. When drawing up a budget it is a well known fact that there is an influx of visitors during the holiday season yet the Municipality do not budget for this and then they use an influx of visitors as an excuse for adjusting the budget "Due to the influx of visitors and challenges experienced with EPWP Working for the Coal Implementer additional man hours/casuals were necessary!"

OVERSIGHT REPORT 2016/2017

11. ANNEXURE A: PRESENTATIONS AND SUBMISSION BY STAKEHOLDERS

Adjustment Budget 2017/18

Where did the money come from to increase the casuals and overtime in the adjustment budget?

Numerous items in the budget were just arbitrarily reduced which leads to the conclusion that there was over budgeting or just poor budgeting. An example is pump maintenance - the Rate Payers with the continuous smell of sewerage and sewerage spills would think that pump maintenance is the last area that should be adjusted. Reasons are all identical. "There was minimum maintenance done on the pump that what was anticipated".

Maintenance Pumps	Budget	Variance	Adjusted Budget
Water purification	R50 004.00	-R20 000.00	R30 004.00
Water reservoir	R130 000.00	-R50 000.00	R80 000.00
Water reservoir	R50 000.00	-R20 000.00	R30 000.00
Sewerage Gerald	R50 000.00	-R20 000.00	R30 000.00
Sewerage Marcella	R50 000.00	-R20 000.00	R30 000.00
Sewerage Medley	R50 000.00	-R20 000.00	R30 000.00
Sewerage Harmony Park	R50 000.00	-R20 000.00	R30 000.00
Sewerage Sports Road	R50 000.00	-R10 000.00	R40 000.00
Sewerage Marina	R60 000.00	-R20 000.00	R40 000.00
Sewerage Wharf Street	R50 000.00	-R10 000.00	R40 000.00
Sewerage Marcella	R20 000.00	-R5 000.00	R15 000.00
	R635 004.00	-R195 000.00	R440 004.00

AG Report 2016/17

This report is extremely damning and the new Adjustment Budget 17/18 is so full of errors it will definitely lead to another qualified audit for 2017/18.

AG Comments:-

- Irregular expenditure - Due to the lack of systems, it was impracticable to determine the full extent of irregular expenditure. Consequently, the AG was unable to determine the adjustments to the current year's irregular expenditure amounting to R386.6 million.
- Electricity losses of R 6.8 million due to meter reading inefficiencies and faulty underground infrastructure.
- Water losses of R 12.0 million due to meter reading inefficiencies and faulty meters.
- Unauthorized expenditure R 97.6 million, what was this spent on?
- Unauthorized expenditure was not investigated to determine if any person was liable for the expenditure as required.
- Irregular expenditure was not investigated to determine if any person was liable for the expenditure as required.
- Losses resulting from irregular expenditure were not recovered from the liable person as required.
- Fruitless and wasteful expenditure incurred were not investigated to determine if any person was liable for the expenditure.

AG Report 2016/17 continued

Procurement and Contract Management:-

- Quotations accepted from prospective providers who were not on the accredited list.
- Goods and service in excess of R 200 000 were procured without competitive bids.
- Some of the contracts were awarded to bidders that did not score the highest points in the evaluation process.
- Some of the construction contracts were awarded to contractors that did not qualify for the contract.
- Failure by municipal employees to disclose that close family had interests in the contracts awarded.
- Awards were made to providers who were in service of other state institutions or whose directors were in the service of other state institutions.

AB above are in contravention of the SCM regulations and MFMA. Should these persons not be identified, disciplined and criminally charged?

Municipality approving of Irresponsible expenditure

Cars

A R 750 000 Mayor's car -- will this improve service delivery or anything else in Ndiambe?

Laptops

R 200 000 for councillors ostensibly to reduce paper yet no councillor has been seen with their laptop at a council meeting, the voluminous amounts of paper seems endless -- are there any trees left to cut down?

Productivity

There appears to be a disconnect between Management and the needs of the of Municipal labour force to be productive, to maintain the equipment to enable them to do their allocated tasks efficiently and properly. Six workers on a site with one spade and one pick is a common sight in Ndiambe.

Equipment

Ndiambe rather needs skips, weed eaters lawn mowers and a secure functional workshop rather than cars, laptops projectors conference rooms etc.

Security

More security and fencing at the Ndiambe sewerage plant and workshop would be cheaper than these assets continuously being burgled and vandalised.

Thank You – any questions ?

OVERSIGHT REPORT 2016/2017

12. ANNEXURE B: MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

MINUTES OF THE STRATEGIC PLANNING SESSION OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON WEDNESDAY, 14 MARCH 2018 AT 10H00 IN THE COUNCIL CHAMBERS, CAMPBELL STREET, PORT ALFRED

PRESENT

Councillor T Mbunge (In the Chair)
Councillors K Daweti, M Mateti, M Raco, T Mbekela
Councillors P Faxi, N V Maphaphu, R Schenk

Municipal Manager, Director: Corporate Services
Director: Infrastructural Development, Director: Finance
Director: Community/Protection Services
Internal Auditor, L Nelana
Internal Auditor, P Bhuti
Customer Relations Officer

By Invitation: Auditor General, Ms Z Mditshwa
Ndlambe Ratepayers Forum, Mr Chris Bezuidenhout
Ndlambe Ratepayers Forum, Mr Dawie Van Wyk

1. WELCOMING AND OPENING REMARKS

The meeting was officially opened by the Chairperson following with a word of prayer by Councillor R Schenk.

The Chairperson welcomed the Mayor, members of Municipal Public Accounts Committee, member of the Executive Committee, Office of the Auditor General, representatives from Ndlambe Ratepayers Forum, Municipal Manager, Directors and staff present as well as the to the strategic planning session.

2. PURPOSE OF THE SESSION

The Chairperson outlined the purpose of the meeting as follows:-

- ❖ To respond on certain issues that were highlighted by the Auditor General and also to do the check list
- ❖ To craft an Action Plan on issues raised by the Auditor General

He further said that it is the wish of the entire committee that after the deliberations, inputs as well as commitments and assistance from all stakeholders Ndlambe Municipality will improve the Audit outcomes and work towards Clean Audit even it means it will take baby steps to achieve this goal.

3. APPLICATION FOR LEAVE OF ABSENCE

That Leave of Absence BE GRANTED to Provincial Treasury, Department of Local Government and Traditional Affairs, Sarah Baartman District Municipality and the Chairperson of the Audit Committee, Mr S Mbalekwa for the Strategic Planning Session held on Wednesday, 14 March 2018.

The Chairperson

Signature..... Full Names: Councillor T Mbunge Date: Page 1

MINUTES OF THE STRATEGIC PLANNING SESSION OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON WEDNESDAY, 14 MARCH 2018 AT 10H00 IN THE COUNCIL CHAMBERS, CAMPBELL STREET, PORT ALFRED

4. INTRODUCTIONS

The Chairperson introduced himself and gave an opportunity to everyone present to introduce themselves.

5. MAYOR'S FOREWORD & EXECUTIVE COMMITTEE PRESENTATION

The Mayor in his foreword mentioned that:-

He will start with the negative meaning that it is regrettable there are quite a number of important stakeholders that would have added value to this meeting are absent namely Provincial Treasury, Department of Local Government and Traditional Affairs, Sarah Baartman District Municipality. Visibly absent again are the Executive Committee Members and Councillors from the Municipality. His view was that this would be an interactive exercise where we learn from each other and those are remaining behind will learn from those that are visiting us however all is not lost.

The Mayor indicated that going forward next year the Internal Audit Unit should ensure that all those stakeholders are invited. He urged the Internal Audit Unit that the outcome of today's proceedings be made available for Councillors so that they can take one or two points with respect to the issues that will be disposed of in this meeting.

He indicated that there a quite number of issues that he would like to raise, it is indeed a serious pursuit on his side to see to it to that one day Ndlambe has an Unqualified Audit Opinion, he said he hope that very soon that will be achieved. The Office of the Auditor General has been very clear to the municipality in terms of pointing out the direction the municipality must take in order to get there in these words he would like to re-iterate some of the issues that were raised by the Office Auditor General and also to express the sincere appreciation for the working relationship because out of the issues that were raised by the Auditor General the municipality began to pick up learn valuable lessons and tried to attend to some.

On centralization of Supply Chain quite a number of problems emanate from the lack of centralization of Supply Chain – in an attempt to address that as the municipality has advertised critical positions that will assist the process, the position of a Senior Buyer has been advertised additionally the position of the Deputy Director of Finance was advertised and filled in. The municipality is also working hard to advertise and fill in the position of the Contract Manager that in itself goes without saying it simply says AG we have had you and we trying to implement the issues that the AG is feeling strongly about.

Another teething problem is the Performance Management System – In all of the outcomes the municipality is always found wanting when it comes in Performance Management System. The Municipality has forged links with Sarah Baartman District Municipality. The process plan has been agreed whereby SBDM will assist Ndlambe Municipality with respect to PMS.

The Chairperson

Signature..... Full Names: Councillor T Mbunge Date: Page 2

MINUTES OF THE STRATEGIC PLANNING SESSION OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON WEDNESDAY, 14 MARCH 2018 AT 10H00 IN THE COUNCIL CHAMBERS, CAMPBELL STREET, PORT ALFRED

A programme has been crafted whereby Councillors and officials alike will be trained on Performance Management System. Further there are regular meetings at a District level where issues of Performance Management System are tabled and discussed and it was further agreed in those meetings Ndlambe Municipality should have a Councillor dedicated to Performance Management System as well as an Official from Municipality to attend so that there is better understanding of the concept of the PMS.

Closely linked to Performance Management System is the issue of Service Delivery Budget Implementation Plan again that has been another eyesore in the books of the Municipality. At the beginning of the year the Office of the Auditor General visited the municipality and they complained about SDBIP they raised serious issues about the indicators the usefulness of indicators the fact that the indicators are not measurable, are not relevant and are not reliable.

The Senior Manager who is dealing with Performance Management System at Sarah Baartman District Municipality has been requested to assist when dealing with the whole issue of PMS to deal with SDBIP. The Manager: Integrated Development Plan to submit reports to Council from time to time that refer to progress in that regard.

He indicated that Ndlambe Municipality is the municipality that is not working in isolation with other municipalities and he further advised that when he looked around he tried to look for a best practice for Ndlambe to learn from to improve the in order to get to the next level (Audit outcomes). He proposed that a trip to Matatiele Municipality and learn in particular the issues that are holding the municipality back to have clean audit with the assistance of the AG.

Another problem that the municipality has been battling with from the Office of the Auditor General is lack of leadership which simply means the leaders of the Institution are failing to do proper oversight.

6. EXECUTIVE SUMMARY BY THE MUNICIPAL MANAGER

The Municipal Manager in his foreword mentioned that there is still a challenge with road maintenance. He indicated that even though roads are being maintained it is still very difficult to keep pace with the rate of the aging infrastructure.

Also he made mention that Building Control remains a challenge especially in the townships whereby residents fail to follow the building regulations.

The Municipal Manager also raised the challenge with Waste Management. He indicated that costs that are associated with the waste management are huge.

The other issue raised by the Municipal Manager was the revenue collection.

The Chairperson

Signature..... Full Names: Councillor T Mbunge Date: Page 3

MINUTES OF THE STRATEGIC PLANNING SESSION OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON WEDNESDAY, 14 MARCH 2018 AT 10H00 IN THE COUNCIL CHAMBERS, CAMPBELL STREET, PORT ALFRED

7. PRESENTATION BY THE NDLAMBE RATEPAYER'S ASSOCIATION

The following presentation was made by the Ndlambe Ratepayers Forum:-
The Ratepayers Forum stated that they would like to see improvements during the 2017 / 2018 Financial Year, namely

- Communication – Prompt reply or verbal feedback to all correspondence.
- Water – Plans on how the bulk water supply requirements and water quality problems will be addressed.
- Road maintenance – Measurable increase in the roads being maintained.
- Local Economic Development – An Indaba to be held with all stakeholders (including organised Business, Farmer's Associations, Tourism) to formulate a Blue print on the way forward to achieve viable sustainable economic development in Ndlambe to develop job creation.

On Communication NRF raised the following:-

- Although communication has improved there are numerous areas where letters to the Directors or Municipal Manager are sometimes acknowledged but very rarely responded to. The NRF by Monday 12 March 2018 still had not received an official notice of this of this MPAC meeting.

According to Section 5 (1) (b) of the Local Government: Municipal Systems Act (No. 32 of 2000) members of the local community have a right "to prompt responses to their written and oral communications, including complaints, to the municipal council and or to another political structure or an office bearer or the administration of the municipality." Ndlambe's Mayor, Municipal Manager and all Directors are still guilty of non-compliance of the above regulation.

From the above it appears that Ndlambe does not take ratepayers or residents seriously- they are just ignored.

- Scheduling of meetings with virtually no notice is still an on-going problem.
- Minutes only being distributed the day before the meeting.
- Changing meeting dates with minimum notice is a common practise.
- All relevant Documents are not posted onto the Ndlambe website.

On Water NRF presented as follows:-

1. There is no clarity or plan on the future of Ndlambe's future water supply – what has happened to the billion rand Sandile Dam Scheme?
2. Reported in 2014/2015 and 2015/2016 (all cut and paste). Potable, treated water is piped to all formal urban communities within Ndlambe, and is available to the vast majority of households. However, some of the Bathurst and Trappe's Valley communities still rely on rainwater and private boreholes. No improvement. What has been done since 2014 to address this?

The Chairperson

Signature..... Full Names: Councillor T Mbunge Date: Page 4

MINUTES OF THE STRATEGIC PLANNING SESSION OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON WEDNESDAY, 14 MARCH 2018 AT 10H00 IN THE COUNCIL CHAMBERS, CAMPBELL STREET, PORT ALFRED

3. There is never any report back to the Rate Payers or the Press on the progress of Amatola Water's ability to complete the "quick wins project" or their inability to complete their tasks.
4. South Africa is "dry country" and water is going to be critical for any meaningful future development and unless long term plans are made we will be like Cape Town – facing zero water in our taps!
5. In the AG report for 16/17 it states Ndlambe lost 12 million Rand due to faulty meters and incorrect meter readings. If a person cannot read a meter get someone who can do it properly. Fix the meters if we are losing so much revenue

COMMENT ON WATER AND SANITATION SERVICES PERFORMANCE OVERALL

This section in the Annual Report is a cut and paste from 2014/2015 annual report.

Comparing the two reports 2014/2015 and 2016/2017 improvements on the following need to be addressed is identical in both reports:-

- Insufficient supply
- Aged infrastructure
- Poor quality of low cost house plumbing
- Source quality of water

On Road Maintenance:-

1. Roads - Paving is ongoing and appears to be successful. It has been noticed that the contractors never clear the site when they have finished the job.
2. Maintenance - It is essential to keep weeds and grass from growing between the pavers – this is not being done.
3. Potholes – It appears that the potholes are winning the battle as there seem to be more potholes developing than the pothole gangs can fix. Productivity amongst the pothole workers appears to be very low as most employees are just standing around observing whilst one or two actually work.
4. Slurry sealing appears to be the best solution and those roads that have been sealed are holding up well.
5. The Municipality should report progress on a monthly basis - pot holes filled, meters of paving and meters sealed with slurry.
6. In the 2016/17 Annual Report items are just a cut and paste- mostly from the 2014/2015 annual report
7. To keep on repeating Stewart Scott's 2004 road management report and figures and amounts for road maintenance service serves no purpose – it is way out of date. - There is clearly no plan to address the road maintenance problem.

On Local Economic Development

As far as the Ndlambe Ratepayers Forum is concerned we are not aware of any blue print or Indaba as requested which was done during the 2016/17 period

The Chairperson

Signature..... Full Names: Councillor T Mbunge Date: Page 5

MINUTES OF THE STRATEGIC PLANNING SESSION OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON WEDNESDAY, 14 MARCH 2018 AT 10H00 IN THE COUNCIL CHAMBERS, CAMPBELL STREET, PORT ALFRED

PREVIOUS COMMENT ON FARMING:

Previous Annual Reports LED's are all cut and paste. Even from 2014/2015, 2015/2016 Ndlambe Municipality has a huge scope to increase and intensify cattle farming and goat farming as key focal farming enterprises to emerging farmers and commercial farmers.

This has been repeated since the 2014/2015 annual report, what has been done to develop farming?

Has Eastern Cape Farmers Union been approached to assist?

PREVIOUS COMMENT ON LOCAL JOB OPPORTUNITIES:

Live stock farming

Again a cut and paste from the 2014/2015 and 2015/2016 and again in 2016/2017 Annual Report.

However, beef cattle farming in the Ndlambe Municipal area have great potential that needs to be developed. Any interventions done should seek to change the picture in favour of black farmers be it those farming in commonages or in land reform farms.

There is a huge need to commercialise livestock farming in Commonages. If this is done there is an opportunity to create community wealth and more jobs. What was done since 2014's report to develop livestock farming?

On the Annual Report the Ratepayers stated that:-

- The annual report every year is a carbon of the previous years report that is basically a cut and paste version with only dates, tables and minor items changed.
- For example the Municipal Manager's Executive summary is exactly the same as the previous year with only dates and numbers changed!

On the Adjustment Budget the following concerns were raised for 2017/2018 Financial Year:-

The Adjustment Budget appears just to be a cut and paste job with very little thought going into the wording or to have realistic adjustments.

- Ndlambe agreed during the compilation of the 2017/18 to cut back on the excessive overtime and casuals! These items have obviously now gone over budget and are now given excessive increases in the adjustment budget! The items where budgets have been reduced to cater for the overspending on items like overtime should be clearly documented – they are not.
- There are numerous examples of cutting and pasting in the 2017/18 adjustment budget.

The Chairperson

Signature..... Full Names: Councillor T Mbunge Date: Page 6

MINUTES OF THE STRATEGIC PLANNING SESSION OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON WEDNESDAY, 14 MARCH 2018 AT 10H00 IN THE COUNCIL CHAMBERS, CAMPBELL STREET, PORT ALFRED

- When drawing up a budget it is a well-known fact that there is an influx of visitors during the holiday season yet the Municipality do not budget for this and then they use an influx of visitors as an excuse for adjusting the budget "Due to the influx of visitors and challenges experienced with EPWP Working for the Coal Implementer additional man hours/casuals were necessary!"
- Where did the money come from to increase the casuals and overtime in the adjustment budget?
- Numerous items in the budget were just arbitrarily reduced which leads to the conclusion that there was over budgeting or just poor budgeting. An example is pump maintenance - the Ratepayers with the continuous smell of sewerage and sewerage spills would think that pump maintenance is the last area that should be adjusted. Reasons are all identical. "There was minimum maintenance done on the pump that what was anticipated".

On the Auditor General's Report

The Ratepayers raised the concerns that the report is extremely damning and the new Adjustment Budget 17/18 is so full of errors it will definitely lead to another qualified audit for 2017/18.

AG Comments:-

- Irregular expenditure - Due to the lack of systems, it was impracticable to determine the full extent of irregular expenditure. Consequently, the AG was unable to determine the adjustments to the current year's irregular expenditure amounting to R386.6 million.
- Electricity losses of R 6.8 million due to meter reading inefficiencies and faulty underground infrastructure.
- Water losses of R 12.0 million due to meter reading inefficiencies and faulty meters.
- Unauthorised expenditure R 97.6 million, what was this spent on?
- Unauthorised expenditure was not investigated to determine if any person was liable for the expenditure as required.
- Irregular expenditure was not investigated to determine if any person was liable for the expenditure as required.
- Losses resulting from irregular expenditure were not recovered from the liable person as required.
- Fruitless and wasteful expenditure incurred were not investigated to determine if any person was liable for the expenditure.

Procurement and Contract Management:-

- Quotations accepted from prospective providers who were not on the accredited list.
- Goods and service in excess of R 200 000 were procured without competitive bids.

The Chairperson

Signature..... Full Names: Councillor T Mbunge Date: Page 7

MINUTES OF THE STRATEGIC PLANNING SESSION OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD ON WEDNESDAY, 14 MARCH 2018 AT 10H00 IN THE COUNCIL CHAMBERS, CAMPBELL STREET, PORT ALFRED

- Some of the contracts were awarded to bidders that did not score the highest points in the evaluation process.
- Some of the construction contracts were awarded to contractors that did not qualify for the contract.
- Failure by municipal employees to disclose that close family had interests in the contracts awarded.
- Awards were made to providers who were in service of other state institutions or whose directors were in the service of other state institutions.

All above are in contravention of the SCM regulations and MFMA. Should these persons not be identified disciplined and criminally charged?

They also raised the following concerns of the municipality approving of irresponsible expenditure:-

Cars

A R 750 000 Mayor's car – will this improve service delivery or anything else in Ndlambe?

Laptops

R 200 000 for councillors ostensibly to reduce paper yet no Councillor has been seen with their laptop at a Council Meeting, the voluminous amounts of paper seems endless – are there any trees left to cut down?

Productivity

There appears to be a disconnect between Management and the needs of the of Municipal labour force to be productive, to maintain the equipment to enable them to do their allocated tasks efficiently and properly. Six workers on a site with one spade and one pick is a common sight in Ndlambe.

Equipment

Ndlambe rather needs skips, weed eaters lawn mowers and a secure functional workshop rather than cars, laptops projectors conference rooms etc.

Security

More security and fencing at the Ndlambe sewerage plant and workshop would be cheaper than these assets continuously being burgled and vandalised.

The Chairperson

Signature..... Full Names: Councillor T Mbunge Date: Page 8

**MINUTES OF THE STRATEGIC PLANNING SESSION OF MUNICIPAL PUBLIC
ACCOUNTS COMMITTEE MEETING HELD ON WEDNESDAY, 14 MARCH 2018 AT
10H00 IN THE COUNCIL CHAMBERS, CAMPBELL STREET, PORT ALFRED**

**8. PRESENTATION BY THE SENIOR MANAGER FROM THE AUDITOR
GENERAL'S OFFICER**

The Senior Manager from the Auditor General's Office indicated that the notes of the Financial Statement must be included in the Annual Report.

Also the issue of qualification that was not included in the Annual Performance information.

She indicated that they are willing to assist the municipality with pre-determined objectives.

The Chairperson

Signature..... Full Names: Councillor T Mbunge Date: Page 9

OVERSIGHT REPORT 2016/2017

12. ANNEXURE B: MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

**MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD
ON THURSDAY, 15 MARCH 2018 AT 14H00 IN THE COUNCIL CHAMBERS,
CAMPBELL STREET, PORT ALFRED**

PRESENT

Councillor M Mateti (In the Chair)
Councillors K Daweti, M Raco, T Mbekela

Director: Infrastructural Development N Vithi Masiza
Internal Auditor, L Nelana
Internal Auditor, P Bhuti

MPA001/03/2018

OPENING

The meeting was officially opened by the Chairperson Councillor M Mateti.

The Chairperson welcomed the members of Municipal Public Accounts Committee, Director Infrastructure and the Internal Audit unit.

MPA002/03/2018

APPLICATION FOR LEAVE OF ABSENCE

3/2/4

That Leave of Absence BE GRANTED to Councillor T Mbunge.

MPA003/03/2018

OFFICIAL ANNOUNCEMENTS BY THE CHAIRPERSON

3/2/1

(system in place to account for irregular)

The director indicated the Centralisation of supply chain will be a solution to the issue of minimizing irregular expenditure

9 and 10 Water and Electricity losses

The municipality has established a team/section/unit for water demand management that has started in Alexandria to fix the leaks and repair meters to reduce water losses.

Management is planning to submit an item to council for installation of prepaid meters and then public participation will follow to notify the public or to solicit their views on the matter Other contributing factors to water losses are stand pipes in informal settlements and delivery of water by trucks to communities and farms as they are not accounted for

The Chairperson

Signature..... Full Names: Councillor T Mbunge Date: Page 1

**MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING HELD
ON THURSDAY, 15 MARCH 2018 AT 14H00 IN THE COUNCIL CHAMBERS,
CAMPBELL STREET, PORT ALFRED**

The committee recommended that Ward committees need to assist council in identifying properties that have flats for rezoning as business instead of residential as the usage of water will be high for flats and in most cases these plots might be registered as indigent whereas they do not qualify.

They have also recommended that the municipality need to record the amount of water that is sent to farms and charged to indigent as farms have erf numbers as well.

Tenders not awarded to lowest bidders

The municipality calculates the estimated cost of a project. If a bidder's price is low by 10% or more of the estimated cost then they do not get the tender

Natural disaster on site eg rain flushing sand under paving, when it is not the contractor's fault the municipality does take care of the cost but when its due to carelessness of the contractor then they take responsibility.

The committee recommended that for Storm water drainage management must seek assistance from the district and an item must be submitted to council in that regard.

The committee asked if speed Humps are made to be part of the original tender or not. The director indicated that in the past they used to separate the two in order for the length of the road to be long but now they have decided to make it one process as it cost more to separate.

In trying to capacitate SMMEs the municipality to give them projects that are one grate higher than their level.

The committee commended management for their effort and asked them to keep on trying even if they are struggling. They have also advised that consequence management is a responsibility of everyone to work on.

The committee has recommended that the municipality must try and limit fruitless and wasteful expenditure by all means.

The Chairperson

Signature..... Full Names: Councillor T Mbunge Date: Page 2

ANNEXURE E

SCHEDULE OF MEETINGS 2017/2018

NDLAMBE MUNICIPALITY



NDLAMBE SCHEDULE OF MEETINGS – 2017/2018 FINANCIAL YEAR

DATE	COMMITTEE	VENUE	TIME	SUBMISSION DATE	DELIVERY DATE
04 July 2017	Municipal Managers' Forum	SBDM	10H00		
05 July 2017	Council Meeting	Sarah Baartman Municipality District	10H00		
06 July 2017	Consultation with Local Municipalities	SBDM	10H30		
18 July 2017	Municipal Public Accounts Committee	SBDM	11H00		
26 July 2017	Local Labour Forum	Council Chambers	10H00	12 July 2017	19 July 2017
27 July 2017	MSCOA Steering Committee	Council Chambers	10H00	13 July 2017	20 July 2017
28 July 2017	Municipal Public Accounts Committee	Council Chamber	10H00	4 July 2017	21 July 2017
AUGUST 2017					
03 August 2017	IGR Meeting	Council Chambers, Port Alfred	11H00	20 July 2017	27 July 2017
14 August 2017	Ward 1	Council Chambers, Alex	10H00	31 July 2017	07 August 2017
14 August 2017	Ward 2	Council Chambers, Alex	12H00	31 July 2017	07 August 2017
15 August 2017	Ward 3	Marselle Community Hall	14H00	31 July 2017	07 August 2017

15 August 2017	Ward 4		Council Chamber, KOS	10H00	31 July 2017	07 August 2017
14 August 2017	Ward 5		Solomon Mahlangu Community Hall	17H00	31 July 2017	07 August 2017
15 August 2017	Ward 6		Titi Jonus Multi - Purpose Centre	17H00	31 July 2017	07 August 2017
16 August 2017	Ward 7		Kuyasa Combined School	17H00	01 August 2017	08 August 2017
17 August 2017	Ward 8		Jauka Community Hall	17H00	03 August 2017	10 August 2017
21 August 2017	Ward 9		Jauka Community Hall	17H00	07 August 2017	14 August 2017
17 August 2017	Ward 10		Council Chambers	10H00	03 August 2017	10 August 2017
17 August 2017	Audit & Performance Committee		Council Chambers	10H00	03 August 2017	10 August 2017
29 August 2017	Ndlambe Full Council meeting		Council Chambers	10H00	15 August 2017	22 August 2017
SEPTEMBER 2017						
12 September 2017	IT Steering Committee		Council Chambers	10H00	29 August 2017	05 August 2017
13 September 2017	Mayors' Forum		SBDM	10H00		
14 September 2017	Executive Committee		Council Chambers	10H00	31 August 2017	07 September 2017
21 September 2017	Municipal Public Accounts Committee		Council Chambers	10H00	01 September 2017	12 September 2017
27 September 2017	Local Labour Forum		Council Chambers	10H00	13 September 2017	20 September 2017
28 September 2017	MSCOA Steering Committee		Council Chambers	10H00	14 September 2017	21 September 2017
29 September 2016	Local Labour Forum		Council Chambers	10H00	15 September 2017	22 September 2017

OCTOBER 2017					
03 October 2017	Municipal Public Accounts Committee	SBDM	11H00		
05 October 2017	Chief Financial Officers' Forum	SBDM	10H00		
11 October 2017	Council Meeting	SBDM	11H00		
18 October 2017	IGR Meeting	Council Chambers	10H00	04 October 2017	11 October 2017
24 October 2017	Ndlambe Full Council	Council Chambers	10H00	10 October 2017	17 October 2017
25 October 2017	Local Labour Forum	Council Chambers	10H00	11 October 2017	18 October 2017
26 October 2017	MSCOA Steering Committee	Council Chambers	10H00	12 October 2017	19 October 2017
25 October 2017	Municipal Managers' Forum	SBDM	10H00		
26 October 2017	Consultation with Local Municipalities	SBDM	10H30		
26 October 2017	Audit & Performance Committee	Council Chambers	14H00	12 October 2017	19 October 2017
NOVEMBER 2017					
06 November 2017	Ward 1	Council Chamber, Alex	10H00	23 October 2017	30 October 2017
06 November 2017	Ward 2	Council Chamber, Alex	12H00	23 October 2017	30 October 2017
07 November 2017	Ward 3	Marselle Community Hall	14H00	23 October 2017	30 October 2017
07 November 2017	Ward 4	Council Chambers KOS	10H00	23 October 2017	30 October 2017
06 November 2017	Ward 5	Solomon Mahlangu Community Hall	17H00	23 October 2017	30 October 2017

07 November 2017	Ward 6		Titi Jonus Multi - Purpose Centre	17H00	23 October 2017	30 October 2017
08 November 2017	Ward 7		Kuyasa Combined School	17H00	25 October 2017	01 November 2017
09 November 2017	Ward 8		Jauka Community Hall	17H00	26 October 2017	02 November 2017
13 November 2017	Ward 9		Jauka Community Hall	17H00	30 October 2017	06 November 2017
09 November 2017	Ward 10		Council Chambers	17H00	26 October 2017	02 November 2017
15 November 2017	Grant and Rebates Committee		Council Chambers	10H00	01 November 2017	08 November 2017
21 November 2017	District Wide Infrastructure Forum		SBDM	09H00		
22 November 2017	District Aids Council		SBDM			
22 November 2017	Training Committee		Council Chambers	10H00	08 November 2017	15 November 2017
28 November 2017	MSCOA Steering Committee		Council Chambers	10H00	14 November 2017	21 November 2017
29 November 2017	Council Meeting		SBDM	11H00		
29 November 2017	Local Labour Forum		Council Chambers	10H00	15 November 2017	22 November 2017
30 November 2017	Executive Committee		Council Chambers	10H00	16 November 2017	23 November 2017
DECEMBER 2017						
07 December 2017	Ndlambe Full Council Meeting		Venue to be Confirmed	10H00	23 November 2017	30 November 2017
13 December 2017	Recess Committee		Council Chambers	10H00		

JANUARY 2018					
11 January 2018	Chief Financial Officers' Forum	SBDM	10H00		
17 January 2018	Municipal Managers' Forum	SBDM	10H00		
23 January 2018	Municipal Public Accounts Committee	SBDM	11H00		
23 January 2018	MSCOA Steering Committee	Council Chambers	10H00	09 January 2018	16 January 2018
24 January 2018	Local Labour Forum	Council Chambers	10H00	10 January 2018	17 January 2018
24 January 2018	Council Meeting	SBDM	11H00		
25 January 2018	Full Ndlambe Council	Council Chambers	10H00	11 January 2018	18 January 2018
FEBRUARY 2018					
05 February 2018	Ward 1	Council Chamber, Alex	10H00	22 January 2018	29 January 2018
05 February 2018	Ward 2	Council Chamber, Alex	12H00	22 January 2018	29 January 2018
05 February 2018	Audit & Performance Committee	Council Chambers	10H00	16 January 2018	25 January 2018
06 February 2018	Ward 3	Marselle Housing Office	14H00	22 January 2018	29 January 2018
06 February 2018	Ward 4	Council Chambers, KOS	10H00	22 January 2018	29 January 2018
06 February 2018	Municipal Public Accounts Committee	SBDM	11H00		
05 February 2018	Ward 5	Solomon Mahlangu Community Hall	17H00	22 January 2018	29 January 2018
06 February 2018	Ward 6	Titi Jonus Multi - Purpose Centre	17H00	22 January 2018	29 January 2018

07 February 2018	Ward 7		Kuyasa Combined School	17H00	24 January 2018	31 January 2018
08 February 2018	Ward 8		Jauka Community Hall	17H00	25 January 2018	01 February 2018
08 February 2018	Mayors' Forum		SBDM	10H00		
12 February 2018	Ward 9		Jauka Community Hall	17H00	29 January 2018	06 February 2018
08 February 2018	Ward 10		Council Chambers, PA	10H00	25 January 2018	01 February 2018
15 February 2018	District Communicators' Forum		SBDM	11H00		
20 February 2018	District Wide Infrastructure Forum		SBDM	10H00		
21 February 2018	Training Committee		Council Chambers	10H00	07 February 2018	14 February 2018
22 February 2018	IGR Meeting		Council Chambers	10H00	08 February 2018	15 February 2018
23 February 2018	Municipal Public Accounts Committee		Council Chambers	10H00	09 February 2018	16 February 2018
27 February 2018	MSCOA Steering Committee		Council Chambers	10H00	13 February 2018	20 February 2018
28 February 2018	Local Labour Forum		Council Chambers	10H00	14 February 2018	21 February 2018
MARCH 2018						
01 March 2018	Chief Financial Officers' Forum		SBDM	10H00		
06 March 2018	Municipal Public Accounts Committee		SBDM	10H00		
13 March 2018	IT Steering Committee		Council Chambers	10H00	27 February 2018	06 March 2018

13 March 2018	Audit & Performance Committee	Council Chambers	14H00	27 February 2018	06 March 2018
14 March 2018	Executive Committee Meeting	Council Chambers	10H00	28 February 2018	07 March 2018
15 March 2018	Municipal Public Accounts Committee	SBDM	11H00		
22 March 2018	MSCOA Steering Committee	Council Chambers	10H00	08 March 2018	15 March 2018
27 March 2018	District AIDS Council	SBDM	10H00		
28 March 2018	Council Meeting	SBDM	11H00		
28 March 2018	Local Labour Forum	Council Chambers	10H00	14 March 2018	21 March 2018
29 March 2018	Ndlambe Full Council	Council Chambers	10H00	15 March 2018	22 March 2018
APRIL 2018					
03 April 2018	Municipal Public Accounts Committee	SBDM	11H00		
02 April 2018	Ward 1	Council Chamber, Alex	10H00	19 March 2018	26 March 2018
02 April 2018	Ward 2	Council Chamber, Alex	12H00	19 March 2018	26 March 2018
03 April 2018	Ward 3	Marselle Community Hall	14H00	19 March 2018	26 March 2018
03 April 2018	Ward 4	Council Chambers KOS	10H00	19 March 2018	26 March 2018
02 April 2018	Ward 5	Solomon Mahlangu Community Hall	17H00	19 March 2018	26 March 2018
03 April 2018	Ward 6	Titi Jonus Multi - Purpose Centre	17H00	19 March 2018	26 March 2018

04 April 2018	Ward 7		Kuyasa Combined School	17H00	21 March 2018	28 March 2018
05 April 2018	Ward 8		Jauka Community Hall	17H00	22 March 2018	29 March 2018
09 April 2018	Ward 9		Jauka Hall	17H00	26 March 2018	02 April 2018
05 April 2018	Ward 10		Council Chambers , PA	10H00	22 March 2018	29 March 2018
17 April 2018	Grant and Rebates Committee		Council Chambers	10H00	03 April 2018	10 April 2018
18 April 2018	Municipal Managers' Forum		SBDM	10H00		
24 April 2018	MSCOA Steering Committee		Council Chambers	10H00	10 April 2018	17 April 2018
24 April 2018	District Wide Infrastructure Forum		SBDM	10H00		
25 April 2018	Local Labour Forum		Council Chambers	10H00	11 April 2018	18 April 2018
MAY 2018						
02 May 2018	District Communicator's Forum		SBDM	11H00		
10 May 2018	Executive Committee Meeting		Council Chambers	10H00	26 April 2018	03 May 2018
16 May 2018	Mayors' Forum		SBDM	10H00		
16 May 2018	District Aids Council		SBDM	11H00		
22 May 2018	Training Committee		Council Chambers	10H00	08 May 2018	15 May 2018
23 May 2018	Council Meeting		SBDM	11H00		
24 May 2018	Chief Financial Officers' Forum		SBDM	10H00		

24 May 2018	Local Labour Forum	Council Chambers	10H00	10 May 2018	17 May 2018
29 May 2018	MSCOA Steering Committee	Council Chambers	10H00	15 May 2018	22 May 2018
30 May 2018	Ndlambe Full Council Meeting	Council Chambers	10H00	16 May 2018	23 May 2018
JUNE 2018					
05 June 2018	Municipal Public Accounts Committee	SBDM	11H00		
12 June 2018	IT Steering Committee	Council Chambers	10H00	29 May 2018	05 May 2018
18 June 2018	IGR Meeting	Council Chambers	10H00	04 June 2018	11 June 2018
19 June 2018	District Wide Infrastructure Forum	SBDM	10H00		
26 June 2018	MSCOA Steering Committee	Council Chambers	10H00	12 June 2018	19 June 2018
27 June 2018	Local Labour Forum	Council Chambers	10H00	13 June 2018	20 June 2017